

Iraq announces raids

BAGHDAD (AP) — Iraq said Tuesday its warplanes attacked and destroyed a petroleum plant and an air defence missile system at the Iranian port of Bandar Khomeini and an oilfield in southern Iran. An Iraqi military communiqué said Iraqi jets bombed the attack against Bandar Khomeini at 4:20 p.m. The planes destroyed and set ablaze the port facilities, which the communiqué described as highly important. It said Iraq "relies on this port for its military effort." Iraqi jets also struck at an air defence system of radar and missiles around the facility. Simultaneously, Iraqi jets attacked the oilfield of Imam Hassan, the communiqué said, scoring destructive hits on the pumping stations and insulators and setting them ablaze. The attacked targets are in southern Iran on the Gulf coast. Imam Hassan is off Kharg Island oil terminal, which is in the northeastern reaches of the Gulf. It was the first major Iraqi bombing campaign against Iranian oil and economic targets in nearly three weeks. It was not known what provoked the sudden escalation that followed days of minor skirmishing along the warfront.

Jordan Times

An independent Arab political daily published by the Jordan Press Foundation
جوردين تايمز مؤسسة صحفية مستقلة عن المؤسسة الصحفية الأردنية "الراي"

Cabinet endorses college by-laws

AMMAN (Petra) — The Cabinet on Tuesday endorsed by-laws for the Royal Jordanian War College and the Royal Command and Staff Academy, and said that the two would award diplomas and military degrees in accordance with Mu'ta University's regulations on awarding such degrees and diplomas. A Cabinet statement issued Tuesday said that the endorsement was made after the Council of Higher Education had approved of measures to consider both military institutions as part of Mu'ta University. The statement also said that during Tuesday's session Minister of Planning Taher Kanaan briefed the ministers on the outcome of the Jordan Development Conference, which concluded in Amman on Monday. The ministers were informed of the support which the five-year National Development Plan won from Arab and foreign delegates who also voiced appreciation and backing for the government's development programmes for the Israeli-held West Bank and Gaza Strip.

Volume 11 Number 3321

AMMAN, WEDNESDAY NOVEMBER 12, 1986, RABIA AL AWWAL 11, 1408

Price: Jordan 100 fils; Syria 1 pound; Lebanon 1 pound; Saudi Arabia 1.50 riyals; UAE 1.50 dirhams; Great Britain 25 pence

King contacts Iraqi and Egyptian leaders

AMMAN (J.T.) — His Majesty King Hussein on Tuesday contacted Iraqi President Saddam Hussein by phone to inquire about the situation in the Iran-Iraq warfront, the Jordan News Agency, Petra, said. President Hussein assured the King of the strong Iraqi stand on the front against any new Iranian aggression, Petra added. The King also contacted Egyptian President Hosni Mubarak on Tuesday for an exchange of views on the current Arab situation and international issues, Petra said.

Sharif Zaid meets U.S. commander

AMMAN (Petra) — Armed Forces Commander-in-Chief General Sharif Zaid Ibn Shaker on Tuesday received at his office Admiral Harold Burnson, commander of the U.S. Middle East Fleet, who is currently visiting Jordan. The meeting was attended by Army Chief of Staff Lieutenant-General Fathi Abu Taleb and the U.S. military attaché in Jordan.

EC approves aid to Jordan

BRUSSELS (R) — The European Community's (EC) Executive Commission said Tuesday it had approved 4.1 million European currency units (ECUs — U.S. dollars) development aid for Jordan under the Kingdom's cooperation agreement with the community. The commission said in a statement it had approved two million ECUs aid for the Royal Scientific Society to help to boost research in technical services for industry and work on national standards. A further 2.1 million ECUs aid was approved to set up a centre to breed lambs.

Klibi: EC sanctions unjustified

TUNIS (R) — The head of the Arab League said Tuesday that European Community (EC) sanctions against Syria over its alleged role in an alleged attempt to bomb an Israeli plane in London were unjustified. Commenting on the EC sanctions announced Monday, Arab League Secretary-General Chadd Klibi said in a statement: "We do not believe that the measures taken are justified, particularly after the accusation against Mossad (the Israeli secret service) in the 'abortive attack' at London airport, and in a recent operation carried out on British soil." Mr. Klibi did not say what the latest operation was, but a British newspaper has alleged that Mossad abducted from London an Israeli nuclear technician, Mordechai Vanunu, who passed on alleged atomic secrets to a London newspaper, the Sunday Times.

Lebanese pound sinks further

BEIRUT (R) — The battered Lebanese pound sank to another record low against the dollar Tuesday amid high demand for the U.S. currency and continued political deadlock, dealers said. The once-stable pound closed at 54.25 to the dollar compared to Monday's close of 52.65. It has depreciated by 197 per cent this year, dealers said.

Two French hostages freed with Syrian help

Sharaa assails EC sanctions and U.S.

DAMASCUS (Agencies) — Two French hostages freed with Syrian help after months of captivity in Beirut flew on Tuesday to France, a country they barely know after decades in Lebanon, in what was seen as Syria's answer to Western allegations it sponsors terrorism.

Camille Sontag, 85, and Marcel Coudari, 54, were handed over to French envoys in Damascus by Syrian Foreign Minister Farouk Al Sharaa less than 12 hours after they were freed by the kidnappers in west Beirut Monday night. Mr. Sharaa told reporters the position of the French government had helped in gaining their freedom.

In the first official comment on anti-Syrian sanctions imposed by the European Community (EC) on Monday, Mr. Sharaa said Damascus had always maintained good relations with all countries world-wide.

"Those countries that show hostility towards Syria should expect the same hostility from us," he added.

Mr. Chirac's special political adviser, Francois Bujon de l'Estang, and the French ambassador in Damascus listened as Mr. Sharaa was asked if there was any link between the release of the French hostages and the EC sanctions.

"To be frank, Syria has exerted a lot of effort, but the French government position has certainly helped in gaining the release of the French hostages," the foreign minister said.

He said Syria had done all it could to gain freedom for foreign

hostages in Lebanon.

"We will continue our efforts to release the rest of the hostages, but I must say that the government whose citizens are held hostage plays a very important role in the release process," Mr. Sharaa added.

Mr. Sharaa also said the EC statement imposing sanctions on Syria was a response to U.S. pressure to save the face of the British government.

He said that from his reading of the statement, issued in London on Monday after a meeting of EC foreign ministers, it was obvious that European countries were "not convinced that British allegations are true."

"We believe that the London statement was made under American pressure to save the face of the British government," Mr. Sharaa said.

The largely-symbolic EC sanctions included an arms embargo, curbs on Syrian diplomatic activity and a suspension of high-level visits involving Syrians.

The sanctions were agreed at the behest of Britain, which broke diplomatic relations with Damascus after implicating Syria in an alleged plot to blow up an Israeli airliner last April. Syria has denied the allegations.

France's Foreign Minister Jean-Bernard Raimond, speaking after Monday's London meeting, said it was necessary to make clear to Damascus that what had happened in the bomb-plot affair was unacceptable.

He added, however, that the EC statement "does not implicate the Syrian government. It implicates some Syrians."

An Arab, Nezar Hindawi, was sentenced to 45 years in prison after being convicted in a London court of the alleged bomb attempt.

Mr. Sharaa, speaking in English, said: "We have on a number of occasions differentiated between the Hindawi case and the Hindawi crime and the alleged connection of Syria in this Hindawi case."

He said the British allegations were baseless. The EC statement showed U.S. pressure was there, "although there was some sort of need by the Europeans to say they are united."

Commenting on the curbs contained in the EC statement, Mr. Sharaa said: "I assure you that Syria does not have any arms deals with Western Europe... nor any arms sales with Western European countries."

"You know our main arms sales come from the Soviet Union," he said.

The French government Tuesday thanked Syria for its help in the liberation of the two French hostages and Mr. Raimond said there was every indication the remaining French hostages could also be freed.

In a television interview, Mr. Raimond said there had been no bargaining to obtain the release of Mr. Sontag and Mr. Coudari.

(Continued on page 3)

Soviets renew pledge of support for Syria

DAMASCUS (Agencies) — The Soviet Union's deputy minister of defence has pledged Moscow's continued support for Syria against "imperialist-Zionist aggression," the Syrian Arab News Agency (SANA) said.

SANA said General Yevgeny Ivanovsky, who is also commander in chief of Soviet ground forces, made his remarks in a visitors' book after he laid a wreath on the martyrs' monument following his arrival in Damascus on Monday.

"The Soviet Union will continue to offer support and backing to Syria in its confrontation with imperialism-Zionist aggression," the agency quoted him as saying.

It said Gen. Ivanovsky met Syrian Defence Minister Mustafa Tlas.

SANA said talks focussed on friendship and cooperation between the two countries and their respective armies.

Comecon leaders end economic talks in Moscow

MOSCOW (R) — Communist Party leaders from the East bloc trade group Comecon agreed on improved cooperation to make their linked economies more dynamic and raise living standards, the official Soviet news agency TASS reported Tuesday.

It said Kremlin chief Mikhail Gorbachev and leaders from nine Soviet-allied countries had ended two days of talks in Moscow on economic matters and arms control.

The TASS communiqué, while saying there had been unanimity on all topics, also referred to frankness during the talks, usually a formula to suggest some disagreement.

Comecon groups the members of the Warsaw Pact military alliance — the Soviet Union, Bulgaria, Czechoslovakia, East Germany, Hungary, Poland and Romania — as well as Cuba, Mongolia and Vietnam.

The Comecon summit was the first formal meeting of the 10 party chiefs since they met in Moscow in June 1984. There were signs of possible disagreement on economic and security issues

before the talks began on Monday.

Moscow had made clear it wanted an improvement in the quality of goods purchased from Eastern Europe in return for its oil, gas and nuclear technology.

The Soviet Union has faced difficulties in buying goods on Western markets this year because of the slump in world oil prices, which has severely affected its hard-currency revenues.

Some economic analysts also suggested the East Europeans would press for lower energy prices from Moscow in exchange for the higher-quality goods they generally ship to the West.

On security issues, Comecon backed the Soviet arms control stand at Mr. Gorbachev's Oct. 11-12 Reykjavik summit with U.S. President Ronald Reagan.

Signs of potential discord emerged last week when Romanian leader Nicolai Ceausescu set the elimination of nuclear missiles in Europe as a priority which should be treated separately and not included in an arms control package.

Shultz says foreign role destabilising C. America

GUATEMALA CITY (R) — U.S. Secretary of State George Shultz said Tuesday foreign intervention in Central America had to be confronted or the region would be increasingly drawn into great power rivalries.

In a speech to the foreign ministers of the Organisation of American States (OAS), Mr. Shultz called the leftist government of Nicaragua "fundamentally destabilising to Central America."

He made no direct mention of the approval by the U.S. Congress of \$100 million in aid to contra rebels fighting the Sandinista government in Managua.

But in an apparent reference to the U.S. campaign against the Sandinista government, Mr. Shultz said: "We cannot give lip service to democracy when it is convenient and costless, but turn our backs on it when there are costs or risks."

He said foreign intervention in the form of "alien ideologies" from Cuba, the Soviet Union, East Germany, North Korea, Vietnam and Libya was promoting instability and violence in Central America.

"Failure to confront this threat will only guarantee that the region will be increasingly drawn into great power rivalries," he said.

"The only road to stability is to eliminate that alien intervention," Mr. Shultz said Washington was still prepared to support a comprehensive, simultaneous and verifiable peace agreement under the 21 principles set out in 1983 by the Contadora group led by Mexico, Panama, Colombia and Venezuela.

Assistant Secretary of State Elliott Abrams charged that the amount of military shipments to Nicaragua from Cuba and the Soviet bloc this year was at its highest ever.

So far this year Nicaragua had received 20,000 tonnes of supplies compared with 19,000 tonnes in all of 1984, the previous record year, according to Mr. Abrams.

Mr. Shultz told the ministers that Nicaragua had built the largest military establishment.



His Majesty King Hussein chats with one of six students who suffered burns in an electrical mishap, at the King Hussein Medical Centre to inquire after their condition (Petra photo)

6 students suffer burns in electrical mishap; King visits them in hospital

By Elia Nasrallah
Jordan Times Staff Writer

AMMAN — Six female students at a girls school in Amman were injured or suffered burns from a fire caused by an electrical fault, but their conditions were reported to be satisfactory.

His Majesty King Hussein visited the girls now being treated at Al Hussein Medical Centre to enquire after their health and gave instructions that all care be given to the patients.

Dr. Khalidoun Haddadin from the Farah Centre at the Medical Centre told the Jordan Times that the girls, who were transferred to his department for observation

and treatment by Al Bashir Hospital in Ashrafieh, were in satisfactory condition and that he expected they would be discharged on Thursday.

Dr. Haddadin said three of the girls in his care at the Farah Centre were under strict observation and the burns and cuts on their faces were being treated by specialists.

Dr. Haddadin said that the girls gave different accounts of what happened at the Nuseibeh Ibn Ka'ab preparatory school in Nazdal district and that some of them could have inhaled some smoke as the girls were rushing outside the classrooms after the outbreak of the fire.

The doctor said that three other girls were referred to other sections of Al Hussein Medical Centre for a 48-hour observation but their cases were less severe and mostly they suffered from bruises. According to the Jordan News Agency, Petra, it was King Hussein who ordered that the six patients be transferred from Al Bashir to the Al Hussein Medical Centre for a more thorough treatment.

King Hussein was accompanied on the visit by Chief of the Royal Court Marwan Al Qasem and Dr. Da'oud Hanania, director of the Armed Forces Royal Medical Services.

UAE urges Soviet drive to end Gulf war

ABU DHABI (Agencies) — The United Arab Emirates (UAE) has called on the Soviet Union to assist Arab Gulf states in ending the Iran-Iraq war, the Emirates News Agency (WAM) reported.

It said UAE Deputy Prime Minister Sheikh Hamdan Ibn Mohammad conveyed the request to the Soviet ambassador, Filyx Nicolaevich Fedotov, Monday night.

The UAE launched a new drive by the Gulf Cooperation Council (GCC) last week to try to halt the six-year-old conflict.

A summit meeting of the GCC, which groups the UAE, Saudi Arabia, Kuwait, Oman, Qatar and Bahrain, called on Iran to respond to mediation efforts and halt attacks on Gulf shipping.

Sheikh Hamdan said the UAE was continuing to work for an end to the war which he said was

affecting the region's stability as well as the world economy.

The Soviet Union, which established full diplomatic ties with the UAE last year, has a treaty of friendship and cooperation with Iraq and is a major arms supplier to Baghdad.

Sudanese head of state Ahmad Ali Al Mirghani said Tuesday Sudan had always sought to stop the Iran-Iraq war.

"We have always strived to end the war without undermining the pride of either of the two countries or interfering in their internal affairs," Mr. Mirghani said before leaving Baghdad after a four-day official visit to Iraq.

"Sudan has always tried to unite Arab ranks and to achieve peace in the region," he said in an interview with the London-based Arabic magazine Al Dastour. "We have to keep good

relations with several parties to enable Sudan to become a mediator for detente and resolver of conflicts."

Reports from Khartoum on Saturday said Sudan had offered to mediate in the Gulf war and that Prime Minister Sadeq Al Mahdi was expected to visit Tehran soon.

"This war has exhausted large human and material resources in the whole Islamic World and the time has come to end its bloodshed," Mr. Mirghani said.

Mr. Mirghani later arrived in Kuwait for an official three-day visit.

He was met at the airport by the emir, Sheikh Jaber Al Ahmad Al Sabah. Diplomats expect the Gulf war and Sudan's need for economic aid to dominate Mr. Mirghani's talks in the wealthy northern Gulf emirate.

Bomb explodes at Ramleh bus station

TEL AVIV (Agencies) — A bomb apparently planted by Arab resistance activists exploded on Tuesday in a bus station in the central town of Ramleh, causing no casualties but damaging a bus, police said.

The bomb was hidden in a plastic bag and exploded in a bus parking area at the station, they said.

In Lod, an Israeli military court detained four Palestinians suspected of carrying out a grenade attack that killed one and wounded 69 near Jerusalem's western wall last month.

The suspects, who include three brothers, were ordered held in custody until the end of judicial proceedings against them. They were indicted on Friday on charges of murder and membership in a "terrorist organisation."

Prosecutors charged that Nasser Daoud Halisi, 28, Tarak Daoud Halisi, 20, Salim Daoud Halisi, 30, and Ibrahim Hussein Alian, 22, were recruited by Fateh, the main faction in the Palestine Liberation Organisation (PLO), and formed a group they called Islamic Jihad in East Jerusalem.

On Monday an Israeli military court sentenced a Palestinian to life imprisonment after he was found guilty of killing two Palestinian prisoners he suspected of collaborating with the Israeli authorities.

He was facing trial in Nahlus in the occupied West Bank on suspicion of involvement in guerrilla activities.

In Ramallah, another military court jailed for 15 years three Palestinians convicted of throwing a grenade at an Israeli bus near their home at Kalandia refugee camp in the West Bank.

In another case, Israel's supreme court delayed the expulsion of a Palestinian newspaper editor on Tuesday and gave the army 14 days to explain why it wanted him deported from the West Bank.

The court granted an appeal by Akram Hanilyah, 33, who was jailed Nov. 3 and ordered deported on unspecified charges of "hostile activity" and illegal ties with the PLO.

The three-judge panel said it would rule on the legality of the expulsion order after hearing the army's explanation.

Blasts rock South African town; at least 10 hurt

JOHANNESBURG (AP) — Two explosions rocked a courthouse and a shopping arcade in a Natal province mining town, and witnesses said at least 10 people were injured at the magistrate's court.

A local newspaper reporter said a post office spokesman in Newcastle had said there were four deaths and 12 injuries and all the casualties were black, but the report could not be confirmed.

The newspaper reporter, who was prevented by police from seeing any injured people or damage at the courthouse, said the first explosion had occurred in a shopping arcade between a sporting goods discount store and a central news agency shop, where newspapers and stationery are sold. The second blast occurred a

half-hour later at the courthouse and "was the larger explosion," said the reporter.

She said newspaper employees heard the blast from two kilometres away and some had seen smoke pouring from the window of the courthouse.

The government's bureau for information confirmed two explosions had occurred in Newcastle, 210 kilometres southeast of Johannesburg, but had no further details.

Employees at the local newspaper said they heard the first explosion from two kilometres away, and they had received reports of 12 injuries. The newspaper employees said their information was that most of the casualties were black.

Bombs explode in Paris in protest against Botha

PARIS (AP) — Bombs went off almost simultaneously early Tuesday at three office buildings, injuring one person slightly. The extreme-left group Direct Action claimed responsibility, saying the bombings protested French ties to South Africa, whose president P.W. Botha is visiting.

The first blast occurred about 1 a.m. at the headquarters of the automaker Peugeot, just west of the Arc de Triomphe, and was loud enough to be heard miles away.

Firefighters said the explosion caused one minor injury. The other two blasts followed moments later, both at the

suburban office Complex la Defence west of downtown Paris.

Firefighters said the explosions damaged the Total Tower and the Manhattan Tower, which are some distance apart in the huge complex, causing no injuries.

A statement was received soon afterwards by the news agency Agence France-Presse signed Direct Action. Commando Clarence Payi-Sipho Xulu, named after two members of the African National Congress (ANC) imprisoned in South Africa. The statement condemned what it called French "collaboration" with the "fascist state."

INSIDE

- * Sedki retains key ministers in outgoing cabinet, page 2
- * JCO outlines two major projects, page 3
- * World trade at crossroads, page 4
- * Venice marks 20th anniversary of floods with optimism, page 5
- * Navratilova downs Mandlikova in Slims, page 6
- * USSR may sell more gold, page 7
- * Philippines army challenges legitimacy of rebel negotiators, page 8

New Egyptian premier keeps key ministers

CAIRO (R) — Egyptian Prime Minister Atef Sedki Tuesday named a new cabinet retaining several key figures from the former government of Ali Lutfi.

Mr. Sedki, appointed by President Hosni Mubarak within hours of Mr. Lutfi's resignation on Sunday, kept Field Marshal Abdul Halim Abu Ghazala and Esnat Abdul Meguid as deputy prime ministers in charge of defence and foreign affairs respectively.

He named Mohammad Ahmad Al Razaz, a university professor, as finance minister, replacing Salahuddin Hamed who became the Central Bank governor Monday in place of Ali Nigm.

Youssef Mustapha, Mr. Sedki's top aide in his former job as head of the Central Auditing Agency, took the economy portfolio, replacing Sultan Abu Ali.

Mr. Lutfi, whose 14-month-old government had a mandate to tackle Egypt's worsening economic troubles, was voted Tuesday as speaker of the Shura (consultative) Council, parliament's Upper House, which has no legislative powers.

Mr. Sedki, a political unknown whose appointment surprised Egyptians and foreign diplomats, was told by Mr. Mubarak on Sunday to press on with economic reforms, improve public services and maintain law and order.

A 56-year old former law professor whose five years as Egypt's top economic watchdog earned him a reputation for toughness, Mr. Sedki has said his 31-man cabinet would spare no effort to improve the lot of the poor among Egypt's 51 million people.

Youssef Wali, the boss of Mr. Mubarak's ruling National Democratic Party, agriculture minister and deputy prime minister, also keeps his job under Mr. Sedki, together with Planning Minister Kamal Ganzouri.

The new government was formed as Egypt, saddled by a foreign debt estimated at \$38.6 billion and a \$5.5-billion budget deficit, was in the middle of tough talks with the International Monetary Fund (IMF) on a

would also be how to deal with a recent surge in religious agitation by Muslim militants demanding the immediate and total implementation of Islamic Law (Sharia) in predominantly Muslim Egypt.

At least one person has died and more than 200 have been arrested in clashes over the past month between police and Muslim fundamentalists in several cities.

CABINET LIST

Following is the cabinet list announced Tuesday by new Egyptian Prime Minister Atef Sedki:

Prime Minister: Atef Sedki (new)

Deputy Prime Ministers: Field Marshal Mohammad Abdul Halim Abu Ghazala

Minister of Foreign Affairs: Esnat Abdul Meguid

Planning and International Cooperation: Kamal Ahmad Ganzouri

Minister of Agriculture and Land Reclamation: Youssef Wali

Ministers:

Economy: Youssef Mustapha (new)

Finance: Mohammad Ahmad Al Razaz (new)

Interior: Zaki Badr

Oil and Mineral Wealth: Abdul Hadi Kandeei

Tourism and Civil Aviation: Fouad Soliman

Justice: Mamdouh Atteya

Culture: Ahmad Helal

Industry: Mohammad Mahmood Abdul Wahab

Local Government and Popular Development: Ahmad Salama (new)

Supply and Foreign Trade: Galal Abdul Dahab (new)

Irrigation: Essam Radi

Manpower and Vocational Training: Assem Abdul Haq (new)

Education: Ahmad Fathi Sorour (new)

Transport, Communication and Shipping: Soliman Metwalli

Scientific Research (new portfolio): Adel Ezz (new)

Health: Ragheb Dwidar (new)

Information: Safwat Sharif

Cabinet Affairs and Administrative Development: Atef Obied

Religious Affairs (Awqaf): Mohammad Ali Mahjoub (new)

Social Affairs and Social Insurance: Amal Osman

People's Assembly and Shura Council: Mohammad Abdul Hamid Radwan and Sayed Ali Al Sayed Mohammad

Electricity: Maher Abaza

Housing, new Communities and Public Utilities: Hassaballah Kafrawi

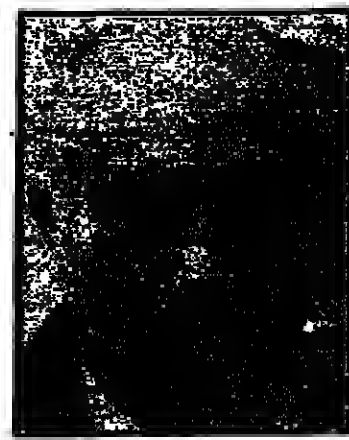
Ministers of State:

Foreign Affairs: Boutros Chali

Military Production: Gamal Sayed Ibrahim

Immigration and Egyptians Living Abroad: Adli Abdul Shahid Bashay (new)

Central Bank Governor (not a cabinet member): Mohammad Salahuddin Hamed



Rafi Levy

Israel arrests senior aide, Armenian archbishop

LONDON (R) — A senior Israeli official and a top-ranking Armenian clergyman have been arrested in Jerusalem on charges of corruption and illegal weapons possession, according to a London newspaper.

The Financial Times business daily said the official concerned was Rafi Levy, for many years the district commissioner for Jerusalem.

It quoted Armenian sources as saying that the clergyman was Archbishop Shahe Adjemian, who it described as a wealthy and highly influential man close to Teddy Kollek, West Jerusalem's long-serving mayor.

Mr. Levy is accused of providing false Israeli identity cards, gun permits and valuable special car licence plates for mutual friends of his and the archbishop among West Bank Arabs," the paper continued.

But the Financial Times quoted intelligence sources as saying that Shin Bet, Israel's internal intelligence agency, was furious with the police for blundering into one of its own long-running operations in the occupied territories.

The newspaper said that further arrests were expected.

Economists commend government strategy on privatisation

By Laila K. Andoni
Jordan Times Staff Reporter

AMMAN — Participants in the Jordan Development Conference, which concluded its working sessions on Monday, have commended the government's drive towards privatisation and its policies towards strengthening the role of the private sector but cautioned that such measures should not be carried out at the expense of social justice.

This assessment was contained in the final statement issued by the conference and in a number of remarks raised by economists and representatives of regional and international financial institutions during two separate sessions on Sunday and Monday, which were dedicated to a discussion of the role of the Jordanian private sector.

The government's policies were particularly welcomed by representatives of the World Bank, the Islamic Development Bank (IDB), the U.S. Agency for International Development (USAID) and representatives of the British, American and South Korean delegations.

Many participants were in favour of privatisation on the basis that such a process would "increase the government's funds, enable it to repay its debts, provide a better distribution of public wealth, increase the efficiency of the institutions involved in the process and consequently the whole economy and curb government expenditure."

Representative of the World Bank, Mr. Willie Wapenhans, expressed full support for the government's strategy saying that the time has come for the role of the private sector to be emphasised. Mr. Wapenhans, who is the vice-president of the World Bank regional office for Europe, the Middle East and North Africa, noted the discussions and the presentation of the envisaged private sector role in Jordan helped point out how the bank's financial facilities could be deployed to aid the private sector. The official, however, raised questions on the incentives provided by the Jordanian government to increase the competitiveness of the private sector.

Chairman of the Jeddah-based IDB, Ahmad Mohammad Ali, voiced the bank's strong support

for the government's orientation saying that "it would provide an additional lead to the exploitation of resources and enhance the government's ability to repay its debts."

Dr. Ali, however, stressed the importance of facilitating the flow of private capital among Islamic countries. He pointed out a resolution issued by the IDB's annual conference, held in Amman last April, which called for the flow of capital and assets from countries with surplus to countries with deficits. The aim of that resolution was to make private capital contribute towards balancing the deficits of poorer countries and at the same time to provide new investment channels for Islamic private capital. He said that the IDB is currently trying "to explore new instruments to use these private assets in development." Dr. Ali disclosed that there is "a desire by the IDB to transform these assets to Jordan."

But he added that the final decisions regarding the transformation of private capital would depend on "member countries' choices." He said that the IDB is presently re-arranging its affairs but that its policies are aimed at financing and strengthening "long term" trade among its members. These policies would enhance private investments and the flow of private capital, he added.

A member of the USAID delegation briefly reviewed his agency's programme to support small entrepreneurs in Jordan. Other speakers also stressed the need to support small entrepreneurs through providing credit facilities.

Dr. Abdul Rahman Mergani, from the Kuwaiti Development Fund, said that the Jordanian private sector has succeeded in gaining respect because it has shown desire to invest in productive sectors, unlike some other private sectors in the region "which are basically involved in trade." He expressed hope that the Jordanian private sector would pursue its interest in investing in productive and developmental projects.

The private sector is expected to account for 48 per cent of the projects in the 1986-1990 development plan for the East Bank. Some participants, however, raised questions about whether the incentives and the investment atmosphere were enough to encourage the private sector to invest its money.

Most of the discussion, however, focused on the privatisation process in general and the means and instruments used in the U.K., the U.S. and South Korea to realise the transformation of public institutions to private ones. Last summer, the Jordanian government decided to transform some of its public services institutions into shareholding companies.

Government strategy

But Minister of Industry and Trade Rajai Al Muesher pointed out that the government's strategy encompassed a package of policies which aim at widening the role of the private sector in the development process "and therefore privatisation was only one element in the ongoing discussion."

He reviewed the measures and regulations decided by the government to encourage private Jordanian, Arab and foreign investment in the Kingdom, to orient private investment into agriculture and other relevant development projects, to increase exports and curb imports and to enhance consultations and cooperation between the private sector and the public sectors and to re-organise the public sector.

In Monday's session, Dr. Yousef Al Sayegh, a well-known Palestinian economist, warned that policies which involve the de-regulation of market prices and cutting subsidies, as part of the objective of increasing the role of the private sector could lead to a social imbalance if not accompanied by government measures that aim at preventing the deterioration of the real incomes of the less-privileged classes.

A similar argument was expressed by Dr. Mergani who said during Sunday's session that the government's drive towards privatisation should include "constraints" which would ensure "the fair distribution of national income." Other economists and scholars present shared the same view as the concluding statement of the conference included the following point: "The discussions stressed the importance of the need to provide a precise definition of 'privatisation' bearing in mind the social concerns involved so that it would not be forgotten that the centralisation of wealth (in the hands of a few) could be one undesirable result of such a process."

Conference provided chance for officials, economists to review plan, AID director says

AMMAN (Petra) — The Jordanian Development Conference, which concluded in Amman on Monday, has been largely successful and offered an opportunity for the participating experts and economists to discuss various aspects of the Jordanian development projects for the coming five years. Mr. Louis Reid, director of the United States Agency for International Development (USAID) said in a statement on Tuesday.

He said Jordanian officials and participants discussed details of the plans intended for the West and the East Banks of Jordan and that these officials accepted all remarks, constructive criticism and comments with open hearts and minds.

USAID has been cooperating with Jordan and has helped the Kingdom carry out different

development projects, notably in agriculture, education, and in laying the infrastructure for several public services, Mr. Reid said.

USAID and the Jordanian government are now cooperating to help promote the performance of the private sector through a vocational training programmes which will extend over a period of five years, Mr. Reid continued.

Industrial cooperation

He also said that his agency has helped Jordan promote its industry through the Amman Chamber of Industry and that USAID has offered training programmes to personnel involved in industrial enterprises in the Kingdom and to those employed in industrial and commercial marketing. USAID

has also helped create a special department at the University of Jordan to turn out engineers specialising in industrialisation, Mr. Reid added.

Agricultural marketing scheme

He said the agency plans to offer Jordan a proposal for organising its marketing of agricultural products in the coming year in view of the fact that the both banks of Jordan are now producing surplus crops. The project is hoped to help the Kingdom find new markets for its products, he explained.

Mr. Reid said that USAID is now involved in studying the 1986-1990 five-year plan prior to deciding on the projects it can help implement.

Conference on culture concludes

AMMAN (Petra) — A national conference on culture in Jordan came to a conclusion on Tuesday and the participants called on all writers to adopt a policy of spreading awareness among the public about the common dangers which threaten the Arab nation and the conspiracies against its unity and existence.

A final statement issued at the end of the four-day meeting urged writers to help promote and strengthen unified Arab culture at the humanitarian and national levels.

The recommendations also stressed the need for all writers to be liberal and open minded regarding the cultures of different nations and at the same time to

work hard at repelling dangers threatening the Arab culture and language.

The conference, held at the University of Jordan, was attended by a group of Jordanian writers and intellectuals who reviewed several working papers dealing with matters of culture, backwardness and advancement and factors influencing them, and the plight of Arab writers under Israeli rule.

As the conference was going on, several plays were staged and a book exhibition was organised to highlight Jordanian publications. A poetry recital session was held in which several Jordanian poets recited verses from their own poems.

Committee to study cases of jobless agricultural engineers

AMMAN (Petra) — More than 300 agricultural engineers are unemployed in Jordan and the Jordanian Agricultural Engineers Association (JAEA) has set up a committee to deal with their cases and to help them find employment, according to a JAEA spokesman.

He said that the committee will carry out an immediate study of each case with a view to finding jobs for the unemployed engineers and that it will also conduct an integrated study to deal with the problem of more engineers who are expected to graduate in the coming years.

The committee will also prepare a programme for orienting engineers on various types of jobs required by the local market to help them find employment, the spokesman said.

According to the spokesman, the JAEA also plans to propose amendments to agricultural training programmes in universities and colleges, and to direct students abroad to study certain specialisations required by the agricultural sector in Jordan.

He said that the committee will also explore ways of encouraging more investments in the Jordanian agricultural sector.

Most roads passable, few still blocked

AMMAN (J.T.) — The Public Security Department (PSD) on Tuesday reported that most of the roads in Jordan are now open for traffic following closures as a result of the heavy rains which fell and disrupted transportation in a number of regions.

But the department said that the following roads are still closed or blocked due to landslides or the high level of water: The Amman Adasieh-Dead Sea road, the Zarqa-Beirien, Alouk-Kamshe roads, and the Mafraq-Bala'ama-Eidoun roads.

In the badia region, the department said that the Um Qusair, Al Quneitra roads were closed due to the high level of water and the accumulation of

mud. The department warned motorists to drive with extra care on all roads in view of the weather conditions.

Meanwhile, the Meteorological Department reported Tuesday that temperatures, which registered 10° C in Amman on Tuesday, will rise to a maximum of 12° C on Wednesday. The department said that it will remain partly cloudy to cloudy and that no further rain will fall on Wednesday. According to the Meteorological Department, a high depression centred over Europe ensures sunny days for Jordan in the days ahead with relatively cold nights.

NEWS IN BRIEF

Hmoud visits afforestation section

AMMAN (Petra) — Minister of Agriculture Marwan Hmoud on Tuesday paid an inspection visit to the afforestation and soil preservation department and was briefed by its director, Mr. Ghaleb Abu Arrabi, on the department's five-year plan which provides for planting forest trees. The minister urged the department to plant more trees in the current season in view of the large amounts of rain which have fallen. Ministry of Agriculture Under Secretary Saleem Al Lawzi accompanied the minister on the visit.

Irbid department distributes seeds

IRBID (Petra) — The cooperative department in Irbid on Tuesday started distributing improved seeds of wheat and barley to farmers' cooperative societies in the region. The department also began distributing fertilisers to the societies. The distribution started to take advantage of rains that have been falling in the Irbid region and to prepare for planting.

Arab dentists to meet Nov. 24

AMMAN (Petra) — The Arab Dentists Union will open a three-day meeting in Amman on Nov. 24, according to an announcement issued on Tuesday. The announcement said that subjects pertaining to the union's activities and topics to be taken up by the union's upcoming higher council will be discussed at the meeting, to be attended by delegates from various Arab countries.

Skin disease specialists leave for Syria

AMMAN (Petra) — A delegation from the Jordanian society of specialists in skin diseases left for Damascus on Tuesday to attend a seminar on skin diseases, due to begin on Friday. The two-day seminar has been organised by the Jordanian and the Syrian societies of specialists in skin diseases and will focus attention on diagnosing and treating skin diseases.

Court sentences embezzler to 15 years

AMMAN (Petra) — The military court has sentenced Yasser Taha Hassan Othman to 15 years in prison and fined him JD 700 for embezzling public funds. The military governor on Tuesday endorsed the sentence.

JCO moves ahead with pastures programme

AMMAN (Petra) — The Jordan Cooperative Organisation (JCO) is currently involved in implementing two projects; the first for developing pastureland and animal wealth and the second to improve the production and the quality of seeds, fodder and cereals, JCO Director General Mr. Al Tal said on Tuesday.

He said in an interview with the Jordan News Agency, Petra, that the projects are being implemented in an effort to improve the general conditions of Jordanian farmers. Referring to the pasture land project, Mr. Tal said that the JCO started on this nine-year project in 1980 in cooperation with the World Food Programme (WFP), the United Nations Food and Agriculture Organisation (FAO) and the Ministry of Agriculture. This project, he said, is being implemented in three stages.

The first stage entailed planting shrubs over 7,000 dunums of land owned by the cooperative societies and a further 22,500 dunums were grown with fodder to ensure feed for sheep, Mr. Tal explained. The JCO also made arrangements for all farmers and stock breeders to acquire a total of JD 300,000 in loans to help them "finance projects" for raising domestic animals and producing lean meat, and this project resulted in raising 9,300 heads of sheep, he continued.

All kinds of everything in the labyrinth of souks

Text and photos by
Josephine Zanniri
Special to the Jordan Times

AMMAN — In the somewhat neglected centre of the Amman business district, the area of the Hussein mosque, lies a hidden world of almost antique charm, a spice market, a labyrinth of tiny souks, further away a Turkish bath and a brass and copper market where the odds and ends, and sometimes the fine silver of old families, finds its way and at the end of King Talal street huddles a diminishing souk where the bedouins purchase fineries for their horses as well as guns, blankets and gem encrusted daggers.

The area of the Hussein Mosque and King Talal Street are clearly the earliest commercial areas of modern Amman. The atmosphere of the district today on a crowded morning captures images most relevant to the past; proud bedouins, walking erect with the edge of their cloak draped formally over one arm; bustling peasant women in bright, finely embroidered costumes herding their children through the crowded market; elderly merchants in loose cream suits, fingering worry beads as they hurry to their shops. Even the wares on sale around the Hussein mosque have a timeless air —

Kayfiers, traditional clothing, the dishdash and thobe — no longer made in Damascus but from far away China, huge pots and pans, tiny, delicate tea glasses and blankets in brilliant reds and greens making a fitting backdrop to the sparkling embroidered dresses hung outside many shops and fluttering in the morning breeze.

The mosque

The hub of this world is the mosque — a delicately crafted, yet imposing structure. According to Mr. Suleiman Musa, cultural advisor to the Mayor of Amman, the building as it exists today was constructed in 1922. However, it was built over the site of the much older Omari mosque, named after the Caliph Omar. The Hussein mosque, Mr. Musa believes was called after Sharif Hussein of Hijaz, the great-grandfather of His Majesty King Hussein. Originally constructed with only one minaret, a second was added during a rebuilding programme following the 1927 earthquake which toppled the existing tower. The maze of roads and alleys making up the downtown district invariably lead to the proud old mosque which manages to sit temporarily, yet serenely, in its ever-moving environment.

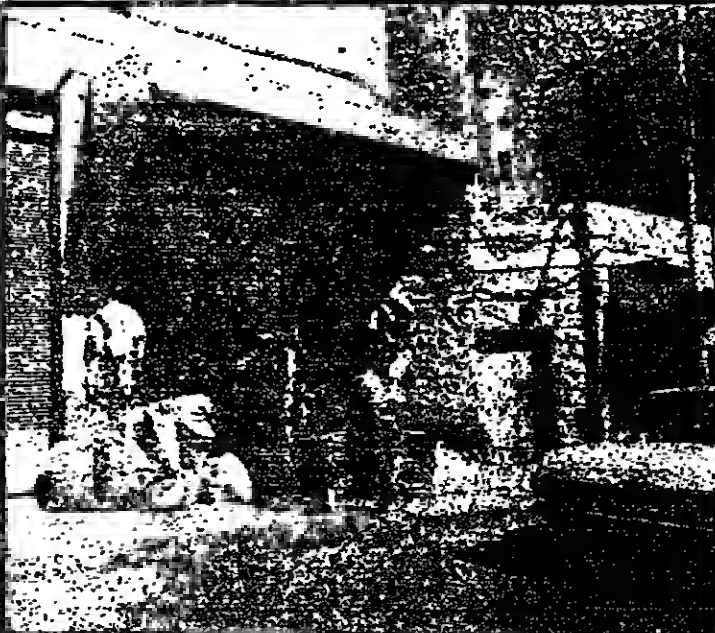
Tucked behind the mosque lies

the spice market. Many of its tiny shops are part of the mosque premises, a common feature in old Islamic towns where the place of worship formed the city centre. The range of goods is extensive and mysterious, its accompanying aroma rich, warm and pungent. The gentle, sweet smell of cinnamon is suppressed by a piquant flood of allspice, cardamom and cloves. Each spice, piled intoessian bags with carefully rolled-down tops, snuggles restfully against its neighbour, diminishing as the day wears on. Boxes of strange twigs, curls of cinnamon bark, large round spices are stacked high behind wooden counter. Close to the merchant stand his scales, ancient battered copper dishes with an old series of blackened iron weights.

The souk Boukaria, directly across King Talal Street from the Hussein mosque, is one of the earliest shopping markets dotted throughout the downtown area. According to Mr. Musa, the souk was named after an Iranian family from Bukar who established the arcade. The Boukaria market, a narrow, frequently ill-lit, ramble of tiny stores has come to symbolise both the inexpensive and exotic in contemporary Amman. The entrance is narrow and easily missed and the maze of shops sells almost everything, cheap toys, thread, jewellery, household goods and even Indian perfume, sold in tiny bottles plastered with gay labels depicting the kind of scent inside — violet, jasmine, rose and so on for the dozens of little bottles on display. The bedouin souk is sited at the opposite end of King Talal Street from the Hussein mosque. None of the merchants know the date the quarter was erected but most concur that it grew after the completion of the existing mosque. The shops sell a great variety of wares; including rugs both new and second-hand, woven on either the ground loom or the vertical loom, leather goods and holders for guns and daggers. Further down the street, another souk markets cloaks with lamb skin linings, another sells bulky wool-filled quilts which ward off the chill of the desert night.

The souk

The most colourful place in the



Sacks of aromatic spices spill out on to the pavement in the spice market.

quarter is the saddlery shop — a jumble of tinkling bells and amulets, fringed blue, orange and red ribbons as well as girth ropes and massive hand made leather saddles. The proprietors manufacture the saddles, a trade they have specialised in for several generations whilst the rest of the fineries are imported from Syria. Quraysh street, running parallel to King Talal Street, includes two fascinating places — a brass and copper market and an adjoining perfume, sold in tiny bottles plastered with gay labels depicting the kind of scent inside — violet, jasmine, rose and so on for the dozens of little bottles on display. The bedouin souk is sited at the opposite end of King Talal Street from the Hussein mosque. None of the merchants know the date the quarter was erected but most concur that it grew after the completion of the existing mosque. The shops sell a great variety of wares; including rugs both new and second-hand, woven on either the ground loom or the vertical loom, leather goods and holders for guns and daggers. Further down the street, another souk markets cloaks with lamb skin linings, another sells bulky wool-filled quilts which ward off the chill of the desert night.

man who dresses in the traditional dishdash and banna. "First came the rich ladies of Amman looking for stuff we thought was junk," he says, "then came the tourists with their cameras... well, at least they didn't cheat us," he shrugs.

Turkish bath

The bath, which backs onto the brass and copper market, has clearly seen better days. However, it is remembered by Amman's children of the Thirties and Forties as a Friday adventure. The bath is a proper Turkish one, complete with three stages of steam. "We sweated our way through it," says one Amman resident, "and we came out clean to the last pore." Improved plumbing and building techniques, as well as increasing affluence set in motion the decline of the public bath. Ladies day was cancelled and now only foreign workers and the poorest of Amman's residents use the place.

The spirit of old Amman so brilliantly expressed in the architecture of the Twenties and Thirties, those gracious villas, crowded souks and imposing mosques, appear as if on the point of strangulation. The modern, imported and the impractical tighten their grip daily on this fine, yet so neglected, era of Amman's history.

2 French hostages freed with Syrian help

(Continued from page 1)

"The government, which rejoices very greatly over this happy outcome and thanks the Syrian authorities for the part they have played in it, continues the effort it has undertaken since its formation with a view to the quickest possible liberation of our other countrymen still detained," a Foreign Ministry statement said.

Mr. Raimond said the latest release were obtained by the policy of the government since it came into office seven months ago of "contacts with all the states that may have an influence on the kidnappers."

"These contacts are based on a completely dignified policy, not based on any bargaining. You will never hear in connection with the freeing of our hostages of any arms deliveries or financial 'bribe'ing," Mr. Raimond said.

He said, however, that France, which maintained permanent contact with Syria and Iran, would in the next few days sign an agreement ending a seven-year financial dispute with Tehran.

A draft accord between the two countries was initiated last July providing for French repayment of part of a billion-dollar loan made by the late Shah in 1975 to the French atomic authorities as part of Iran's then nuclear power programme. The draft accord still has to be signed at the political level.

The agreement, believed to be for about a third of the initial loan, or \$330 million, has been seen as a key aspect of the government's attempts to normalise ties with Tehran since the Islamic revolution of 1979.

The financial dispute has also been cited by Lebanese kidnappers of French hostages as a prerequisite to their release.

Asked whether the final signing of the accord was related to Monday's release, Mr. Raimond said: "You must not present things in this way. We are normalising ties with Iran and we are convinced that Iran, which has power and influence in the region, will help us."

Mr. Raimond was asked why the Revolutionary Justice Organisation had now freed two groups of French hostages but none had been released by Islamic Jihad, considered to be pro-Iranian.

Mr. Raimond said it was "very difficult to go into details, these names cover various groups but it is not always certain. It seems there are two groups but it is very difficult to say."

Mr. Sontag and Mr. Coudari were freed in west Beirut Monday night. Official Syrian sources said the pair was handed over to Syrian army officers.

Mr. Coudari, speaking for Mr. Sontag as well, said they were treated "very well" by their captors. They were held separately in what they believe was the Shi'ite stronghold of south Beirut.

Mr. Coudari said they only met when they were being released. He noted that Mr. Sontag saw five other foreign hostages in the prison where he was held, but was not allowed to speak to them.

The only clue he had was a note slipped to him by one of the men a few days ago, when Mr. Sontag knew he was getting out.

Mr. Coudari said the note read: "I am Irish. Please tell my family."

The note was unsigned. But the only Irishman missing in Lebanon is Brian Keenan from Belfast, Northern Ireland, an English teacher at the American University of Beirut.

Mr. Sontag and Mr. Coudari were driven to Damascus during the night over mountain roads and given clean clothes and a bath at a government facility.

The Revolutionary Justice Organisation says it holds two French television crew, Aurel Cornica and Jean-Louis Normandin, and has claimed the kidnapping of two Americans — Joseph James Cicippio, an accountant at the American University Hospital in Beirut, and Edward Austin Tracy, a book salesman.

In a typewritten statement delivered to an international news agency in Beirut on Monday, the group had said it would free some of the Frenchmen "in a goodwill gesture... and through the constant French contacts with President Hafez Al Assad and the efforts we and the other faithful parties have exerted..."

The group freed two French television crewmen in June.

An American hostage, David Jacobson, was released by the Islamic Jihad (holy war) group in Beirut nine days ago after 17 months in captivity.

The communique from the Revolutionary Justice Organisation said Monday some French captives would be freed. The second statement signed by the group said the release would take place at 7:30 p.m. at the Hotel Beaurivage in the Ramlet Al Baida neighbourhood in west Beirut.

Shortly before midnight in Lebanon an anonymous telephone caller told the independent Beirut newspaper An Nahar that two French hostages had been freed in Ramlet Al Baida at 7:30 p.m.

In another development, U.S. Secretary of State George Shultz said Monday he has sent a set of recommendations to President Reagan calling for sanctions against Syria.

Mr. Shultz also said he has "no plans to resign" over reported U.S. shipments of arms spare parts to Iran as a means of gaining the release of American hostages held in Lebanon.

Speaking to reporters while flying to Guatemala City to attend an Organisation of American States (OAS) foreign ministers' meeting, Mr. Shultz refused to discuss that issue further.

In Washington, the U.S. Department on Monday praised the EC action against Syria and said the United States will take further steps against Syria.

"We welcome the fact that the EC has decided to deal with this issue," State Department spokesman Charles E. Redman said. "We feel that steps by the members of the EC, whether collective or individual, are important to make clear that Syrian support for international terrorism is unacceptable."

He said the move was "another sign of growing concern about Syrian-based support for terrorism."

"We hope European actions will persuade President Assad to change Syria's policies. The U.S. government will take a closer look at the European measures and at an appropriate time in the near future we will make our own announcement of what steps we will take to follow up the withdrawal of our ambassador to Syria."

The U.S. envoy, William L. Eagleton Jr., was withdrawn Oct. 24 in support for the British decision to break ties with Syria.



The Hussein Mosque in downtown Amman

Jordan Times

An Independent Arab political daily published in English by the Jordan Press Foundation
Established 1975

الصحف الأردنية المستقلة المنشورة بالإنجليزية من قبل المؤسسة الصحفية الأردنية

Chairman of the Board of Directors:
MAHMOUD AL KAYED

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Jordan Press Foundation,
University Road, P.O. Box 6710, Amman, Jordan.

Telephones: 667171-6, 670141-4

Telex: 21497 ALRAI JO

Facsimile: 661242

The Jordan Times is published daily except Fridays.
Subscription and advertising rates are available from the
Jordan Times advertising department.

Benefits all round

LIKE it began, the international conference on Jordan's development ended on a promising note. As Crown Prince Hassan had aptly put it, the conference was a healthy phenomena for the promotion of Arab, regional and international cooperation. In other words, the scope and dimension of the conference far exceeded the needs and aspiration of Jordan itself.

The participation at the conference by Arab and non-Arab states, in addition to the regional and international organisations and institutions, was a living testimony of the concern and interest that the international community had in the process as well as the results of the conference. That some of the participants expressed some concern, and even reservations, over the targets outlined in the five-year plans for both the East and West Banks is an added positive sign that the deliberations were constructive, open-minded and frank. Certainly, Jordan learned a lot from the comments positive and negative that were put forward during the conference and they would be used as a stepping stone for further contacts on the means as well as the ends of the parallel plans.

The whole process, as Crown Prince Hassan said in his press conference at the conclusion of the 3-day sessions, was an educational one. That's why the conference has served as a forum for dialogue and for the promotion of Arab, non-Arab, regional and international cooperation both on the level of governments as well as on the private and institutional levels. With this being the case, we can only hope that the conference would serve as a model for future application in their countries or regions of the world.

ARABIC PRESS EDITORIALS

Al Ra'i: Successful conference

THE Jordanian development conference has ended with an open door for a new stage of active work in the light of initial positive results this conference achieved. The conference was described by many participants as a successful effort that would lead to excellent results. The conference tackled Jordan's development plan in the coming five years and discussed the outlines of a programme for developing the economic and social life in the occupied Arab territories. As King Hussein said in his keynote address to the participants, the plan for the West Bank and the Gaza Strip is not a substitution for liberation but is rather an assistance to the Arab people under Israeli occupation to help them resist occupation and to enhance their steadfastness and ease their life. The King said that since this is a noble objective, Arab countries are invited to extend a helping hand, not only out of duty towards their Arab brothers under the yoke of occupation, but also as a national responsibility and a humanitarian act. Following the conference, Prince Hassan summed up the various discussions, again referring to the need to support the steadfastness of the Arab population in the Israeli-held Arab lands. Prince Hassan said that Jordan has never forsaken its kinsmen in the occupied territories since 1967 and this is a task which Jordan has been keen to perform and a national duty to take before any one else. Arab countries, Prince Hassan said, are called on to provide assistance to the Arab people in Palestine to enable them to maintain Arab identity and protect our holy places.

Al Dstour: EC shows support for Britain

A decision taken by the European Community's foreign ministers in London against Syria must have been far below Britain's aspirations. London had hoped that the European nations would support its measures by imposing sanctions on Syria for its alleged involvement in terrorist activity but the Europeans seemed to be hesitant in taking any measures. At last they decided to impose some restrictions on their diplomats' visits to Damascus and other restrictions on the Syrian Airlines. These are mild measures which indeed could have been taken by Europe without meeting twice within one week, in Luxembourg and London. That the London meeting resulted only in this decision means that the Europeans realise the dimension of Britain's game and refuse to sever relations with Damascus or to take severe measures against it. No doubt the United States had exercised pressure on European countries to follow Britain's example and sever diplomatic ties with Syria, but Europe seems to have other considerations and therefore did not succumb to the pressure. When the United States puts pressure on its European allies in this respect it means it is asking them to follow Washington's example and policies towards the Arabs in favour of Israel, something which the Europeans cannot do for historic, trade and other considerations. The European nations must also have heeded a statement by Jacques Chirac as quoted by the Washington Times as saying that the attempt to plant a bomb on an Israeli airline in London was the work of the Israeli intelligence.

Sawt Al Shaab: Jordan's commitment

IN summing up the outcome of the three-day development conference, Prince Hassan said that the meeting was an Arab and international gathering of ideas that help to implement the 1986-1990 plan. Prince Hassan pointed in particular to the Jordanian plan for developing the occupied territories over the coming five years and said that the plan represents Jordan's national commitment towards the Arab people of Palestine. He said that the five-year plan is meant to help support the steadfastness of Arabs under Israeli occupation and will not serve as a substitute for liberation or for any solution for the Middle East problem. What Jordan is trying to do, Prince Hassan said, is to enhance the Arab resistance force in the face of Israel's arbitrary measures and to maintain Arab identity in the occupied territories. Since 1967 Jordan has never stopped its endeavours to help the Palestinian people and has never ceased its aid and support for the Palestinians under Israeli occupation. In pursuit of this policy, Jordan has pumped JD 12 million to West Bank municipalities and other institutions, and continues to extend all possible means to enhance the Arab people's steadfastness. These Jordanian policies were expounded fully in King Hussein's keynote address to the conference's opening session.

World trade at a crossroads

By Riad Khouri

PROTECTIONISM is threatening to slow world trade, making it difficult to create jobs and find a solution to the debt crisis. The main danger lies in the substantial imbalance in trade among the three major commercial nations, the U.S., Japan and West Germany. Exchange rate fluctuations and the debt problem are not the main factor. It is the refusal of individual industrial states to adjust to competitive changes in world markets. Agriculture, textiles and clothing are examples. Between them, they account for nearly 20 per cent of world trade. The danger is that protectionism in these sectors will spread to others. In steel, motors, entertainment electronics, machine tools and semiconductors, voluntary export restraint arrangements have been made and agreement has been reached on market carve-ups. They are indeed growing increasingly common. Last year the volume of world trade grew by 3 per cent (as against 9.5 per cent in 1984) and interim figures indicate a similar rate this year. One reason for this slowdown has been the levelling off in economic growth in the United States and Canada. Increases mainly occurred in finished goods trade, which was up by 6 per cent, where as trade in oil and mining products was down by 2.5 per cent and in agricultural products by 1 per cent. World trade in motor vehicles grew particularly well, by 10 per cent, with household equipment up 7.5, machinery up 6.5, other consumer goods up 6, and clothing up 5 per cent. Conversely, trade in non-ferrous metals was down 7, food down 6, fuel down 5.5 and commodities down 4 per cent.

"Rules laid down for international trade under the GATT (General Agreement on Tariffs and Trade) have been honoured more in the breach than in the observance," according to West German writer Hans Georg Linder. In the 1950's trade flourished, which was the main reason why economic recovery was more or less

continuous. Nearly all countries, continued efforts to scrap controls. But free world trade proved in the 1970's to be a fair weather affair. When the economic clouds gathered after the first oil crisis, more and more GATT members set aside their good intentions and erected new trade barriers rather than dismantling old ones. Growing protectionism is a serious threat to economic recovery, and some feel the entire system of free world trade will be in jeopardy unless agreement is reached on new rules. The old GATT provisions are felt in some instances to be obsolete and in need of updating, enlarging on, putting into greater detail and made more verifiable. If revision fails to come about, the general agreement would probably be replaced by a plethora of intergovernmental arrangements relating to individual products or categories of goods. This is already the case in trade ties between the European Community and the United States, and would lead to a proliferation of various tariffs, regulations, subsidies and paperwork that red tape would gain the upper hand. The consequence might then be a series of tit-for-tat arrangements replacing market considerations such as price and quality. Trade would then be conducted on the basis of political agreements rooted in nationalism.

Economic nationalism is a tricky thing, and it is often the case that patriotic and emotional reactions to economic problems lead to their exacerbation. The exchange rate of a currency is an example: the layman often feels a misplaced pride in an appreciating currency, regarding the matter as one of prestige. If the national money falls relative to the American dollar or other hard currencies, local feelings are hurt and people are insulted. Of course this is a bit silly. An exchange rate is a price like any other and thus susceptible to supply and demand shifts. Changes in the foreign value of a currency are sometimes inevitable and often constructive. They can have

serious side-effects, but these must be dealt with rationally within the context of overall economic problems.

Restricting or banning imports is another area on which economic nationalism impinges. A lot of people who don't know any better assume this is a good thing because it supposedly saves their country money and encourages employment among producers of import substitutes. The gut reaction of a misguided patriot is to ban as many foreign goods as possible, but this often leads to waste, inefficiency and lower standards of living. Banning the import of some foreign commodities strengthens the position of those local industries which are interested in monopolising the market without necessarily improving their product.

For every country in the Middle East, problems of industrialisation and trade are crucial and will be with us for a long time to come. Governments in most Middle East states have the power to impose strict regulations on merchants and industrialists, but the question is will these interferences in market forces be for the benefit of the general public over the long run? In a time of slump such as the present, it is tempting for people to cry out "the government should do something." Politicians love this sort of thing. To be seen to be doing something, they throw around makes officeholders feel good. And if the public doesn't mind either. "My country, right or wrong" can be a very seductive slogan, although somebody once pointed out that this was as silly as saying "my mother, drunk or sober." As the Middle East recession gets worse, economic challenges will give rise to new policies. These should be formulated with care and a minimum of emotional bravado. Otherwise they will have the perverse and nasty result of making a bad situation even worse.

Taiwan celebrates Chiang Kai-Shek's centenary amid growing power struggle

By Andrew Browne
Reuter

TAIPEI — A smiling portrait of Chiang Kai-Shek gazes down from the presidential office in Taipei.

The figure of Taiwan's former leader, whose centenary is now being celebrated, still looms over this island of 19 million people, his face appearing on souvenirs, in taxis, on petrol pumps and in boardrooms.

Though he was born on October 31, 1887, the Chinese count the day of one's birth as the first birthday, so his centenary falls this year.

Thousands of people have been flocking to Chiang's grave near Taipei to pay their respects.

But the government is still grappling to solve the problems of history Chiang left behind.

He is celebrated in Taiwan as a military hero in China's resistance against Japanese invaders during World War II.

In 1949, Chiang led his Nationalist government to Taiwan after defeat in civil war by the Communists in China. His dream, unrealised, was to return to power in China.

Chiang's political successors, led by his son Chiang Ching-Kuo, are left with the reality of ruling Taiwan, and must face a population who have not fully accepted mainland Chinese masters.

Native Taiwanese form 85 per cent of Taiwan's population and are the backbone of the political opposition.

In a bid to gain more popular support and satisfy the political aspirations of native Taiwanese, the ruling Kuomintang (Nationalist) Party has embarked on a programme of democratic reform.

Pressure for political change has come as Taiwan rapidly transforms itself into an industrial society with an affluent and well-educated middle class demanding greater political clout.

Over the past several months, opposition politicians have pushed the Kuomintang to the limits of its patience by creating a political party and organising a

The Kuomintang Party announced this month that it would drop martial law, which has been in force since 1949, and lift a ban on new political parties. It also promised to open more seats in central government to election.

"If the Kuomintang does not share power, it could lead to revolution on Taiwan," said Hu Fu, professor of politics at National Taiwan University.

Political analysts said the dilemma facing the party was how to preserve the myth that it rules China while developing democratic government on Taiwan.

Taiwan's legislative and executive bodies are still dominated by ageing members elected 40 years ago on the Chinese mainland who claim to represent constituencies there. On average, one dies every week.

The Kuomintang is agonising over the problem of how to fill the seats.

"It's a very difficult question," Ma So-Loay, the secretary-general of the Kuomintang told Reuters. "We are still a national government, so there must be some representation from mainland China."

For Taiwan, it is a life-and-death matter: Peking has repeatedly stated that it will not accept independence for the island, which it regards as part of China.

Pressure for political change has come as Taiwan rapidly transforms itself into an industrial society with an affluent and well-educated middle class demanding greater political clout.

Over the past several months, opposition politicians have pushed the Kuomintang to the limits of its patience by creating a political party and organising a



Chiang Kai-Shek

string of illegal demonstrations.

"Values have changed," said a Western political analyst. "Chiang Kai-Shek was seen as a god. Everything he did was perfect and nobody dared question him."

He said Chiang Ching-Kuo could not command the same authority as his father, who died in 1975, and the power of his party had declined, although it was still a formidable organisation.

Government officials privately admit that Chiang Ching-Kuo faces intense opposition from hardliners over plans to introduce democratic change.

Publicly, the party denies there is a split. But in a recent speech, Chiang hinted at differences by calling on all party members to be more open-minded and promote political harmony in Taiwan.

The popularity of the Kuomintang and the reforms it is sponsoring will be put to the test next month in national elections in which the opposition will run under a party banner for the first time.

In past elections, the opposition has gained about 30 per cent of the vote on a platform of opposition to mainland Chinese rule and martial law.

"The decision to relax martial law has cut the ground from under

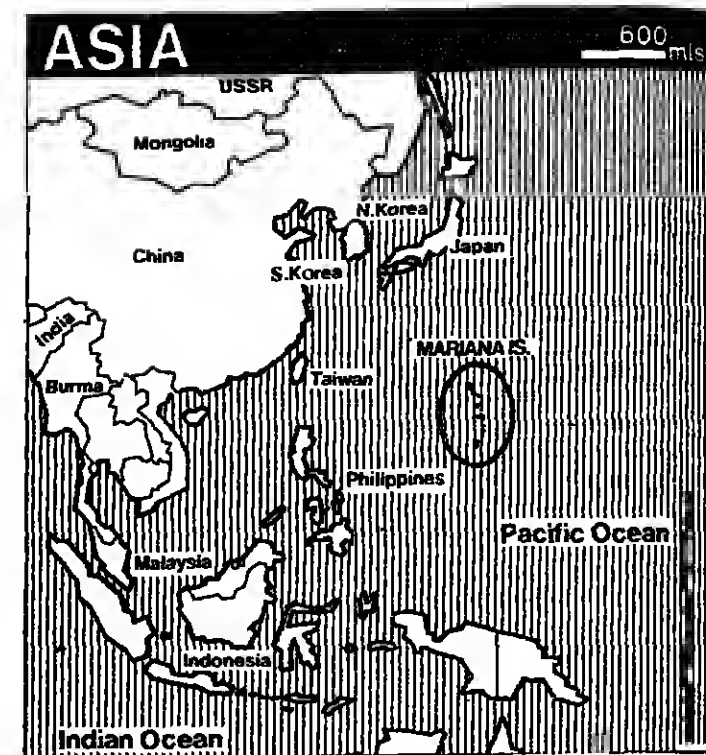
the opposition," said one Western diplomat.

The opposition is widely seen as weak and divided. Its voice is limited by strict censorship laws, and its leading members are in jail, serving sentences which they claim were politically motivated.

In contrast, Kuomintang organisation stretches into every corner of Taiwanese life. The party, which was shaped by Soviet Communist Party advisers in China, has cells in companies, universities and at a street community level.

Nevertheless, Kuomintang officials insist they are serious about sharing power with the opposition.

It is possible that a new political party could win a majority of votes and form the government," said Ma.



A way out for North Korea

By Steven B. Butler

SEOUL — As every schoolboy strategist knows, backing a dangerous enemy into a corner is not always very safe. That, nonetheless, is precisely where South Korea and the West have put North Korea, which is armed to the teeth and is now receiving more military support from the Soviet Union.

North Korea still is an international renege and by most normal criteria deserves to be isolated. From the 1969 commando raid into South Korea aimed at assassinating then-President Park Chung-hee, to the 1983 bombing at Rangoon that killed much of the South Korean cabinet, North Korea has perpetrated a string of outrageous atrocities.

Pressed by a shortage of foreign currency, Pyongyang has also instructed its diplomats to fund foreign missions by smuggling under the protection of diplomatic immunity.

North Korea did try conciliation two years ago, when it began to seek dialogue with South Korea. But the South frustrated the North by insisting that the dialogue produce practical results — trade in real goods or simple humanitarian gestures to reunite families.

The North is now facing its biggest diplomatic defeat since the end of the Korean war.

At the end of September, nations from all over Asia, including North Korea's communist ally China, participated in the Asian Games. Two years later, Seoul will host the summer Olympics, where the participants are likely to include the Soviet Union and the Eastern European nations. The world, minus North Korea, and possibly Cuba and Albania, will be coming to Seoul.

Pyongyang is still dithering with a proposal from the International Olympic Committee to co-host some events of the games, and has evidently not yet made up its mind. If the North rejects the proposals in the end, or attaches unacceptable conditions, it will be forced to sit out the games in bitter isolation, and may be tempted to take measures to disrupt them.

But accepting the IOC proposal is hardly better from the North's point of view. It would be tantamount to conferring legitimacy on the Seoul government, and would expose North Korea to the eyes of the international press, while failing to provide guarantees that Pyongyang would achieve other longstanding foreign policy goals — opening up more direct ties with the West, particularly Japan.

— *Financial Times feature.*

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Cuba prepares for 'people's war' in case of attack

By Lionel Martin
Reuter

HAVANA — President Fidel Castro, who always dresses as a soldier, has told the Cuban Communist Party that almost 80 per cent of the island's population is organised for what would be a "war of all the people" if Cuba were invaded.

He returned to the theme in a recent speech saying that if "imperialism" tried to occupy Cuban territory, it would suffer "like an elephant among swarms of red ants and angry wasps."

The colourful image referred to the possibility of an American "invasion" which the Cuban government and Communist Party have been preparing over the past six years.

Castro said that because of the perceived threat of U.S. aggression, Cuba "multiplied its defensive capacity many times over not only in regard to the number and quality of its weapons but also in the preparation of the entire population — men, women, children, old people and adolescents — in the task of defending the country."

According to the International Institute for Strategic Studies, Cuba has over 160,000 members of the regular armed forces, an equal number or more of active reservists and at least 1.2 million members of the volunteer people's territorial militia.

Castro, 60, who 30 years ago was leading the guerrilla rebellion which toppled the American-backed Fulgenzio Batista in 1959, still wears olive-green military fatigues.

In a speech in September he said Cuba was prepared to resist "a total blockade, a blockade plus

military harassing and even the occupation of our country, in which case the battle will not cease."

Castro said in his report to a party congress earlier this year that "almost 80 per cent of the combat potential of our population, that is men and women physically fit to fight is organised."

This figure includes ordinary people integrated in the armed forces and ministry of the interior, and also committees for defence of the revolution which in themselves have over six million members. They are non-combatant, organised in every neighbourhood of Cuba but in time of war would join in defence efforts.

While Cuba's army, navy and air force would confront the enemy in conventional warfare, people's militia would, according to the official newspaper Granma, "organise combat actions as well as manage economic production and the life of the population under battle conditions."

"The war of all the people," Granma said, creates conditions for carrying out an armed struggle in accordance with the local physical-geographical and socio-economic conditions."

The "war of all the people," according to Cuban officials, will be the direct responsibility of Cuba's Communist Party, which has 500,000 members out of a total population of 10.2 million. They would work through a chain of defence councils.

If the island were occupied and conventional warfare ceased, the military would incorporate the civilians into guerrilla activities, Cuban sources say.

Local militia forces and the closely allied production and defence brigades are receiving instruction at local schools and at weekends. Cuban sources say that about 100,000 officers have already been trained for the territorial militia.

Castro has said that "The weapons and munitions of the militia are highly decentralised, which heightens their security and diminishes the time needed to mobilise the units."

Military-civilian exercises were held in September which brought together army and air force units and territorial militia. Almost 300,000 Cuban men and women took part.

According to a Cuban military officer, the strength of Cuban defensive capacity lies partly in the fact that there are thousands of battle-experienced soldiers and officers in the regular armed forces, the reserve and the people's militia.

Their experience was gained primarily in Angola and Ethiopia as well as other countries where Cuban military advisers have operated.

During the height of the confrontation with South African troops in Angola, Cuban troop strength in that African country rose to a high of 36,000 men. Now, according to Western experts, there are between 20,000-23,000 Cuban troops in Angola.

Cuban troops also gained battle experience in Ethiopia in the final months of 1977, when an estimated 10,000 to 15,000 Cuban pilots, artillerymen, tank crews and armoured infantry battalions played a decisive part in routing Somali troops.

Suez behind the scenes

Cutting the Lion's Tail
Suez through Egyptian Eyes
by Mohamed Heikal

Andre Deutsch (105 Great Russell St. London WC1). 238 pages.

By Keith Kyle

MOHAMED Heikal was for many years the Egyptian journalist who was best known to the outside world as a broadcaster and editor. But he was always more than that. As a close and trusted friend of President Nasser, and his literary collaborator in producing his book *The Philosophy of the Revolution*, he was seen as providing an intellectual rationalisation of Egyptian policies. He had a rougher ride under Anwar Sadat, who ended up putting him in prison as an irreconcilable political foe.

Heikal has been building up his archive, and has brought out a stream of books on contemporary history complete with dramatic anecdotes and character sketches of the great. This book on Suez differs from Heikal's others in that it relies to a much greater extent on documentation which is extensively quoted or summarised. There is still much

lively narration and some good stories, but it is a weightier contribution to history.

It is instructive to compare accounts of the same episode in this and previous Heikal books. In *Nasser: The Cairo Documents*, the only meeting between the two great antagonists of Suez — Nasser and Eden — is described as the clash of opposites, the jarring of personalities. The confrontation ends coldly, and Nasser said afterwards that Eden behaved like a "prince dealing with vagabonds."

BOOK REVIEW

The account in *Cutting the Lion's Tail* is much more rounded and credible. Now we find that Nasser "felt the occasion had been a useful one and that Eden was the sort of person with whom it might be possible to do business." The remark about the prince and the vagabonds is now relegated to a throwaway line of Nasser's about the sartorial elegance of his hosts at the British embassy.

Over half of the book deals with the period before the actual seizure of the Suez Canal Company — Heikal has had access to and makes good use of Ahmed Hussein's despatches from the Washington embassy —

and much of the strictly new material deals with secondary aspects of the crisis. But it is none the less welcome for that.

There is the advice Tito gave to Nasser — namely, to see the French point of view over Algeria, because France was the most likely next recruit for the Non-Aligned Movement. There is a fascinating and well-documented chapter on "the Nehru factor" with Nasser declining to sign on the dotted line cables drafted for him in New Delhi and the Egyptians showing less than total admiration for Krishna Menon, the Indian minister of defence. And there is a ludicrous chapter on "reassuring the Saudis."

In the central story, perhaps the most interesting account is of the scene in which the conspirator-president confronts his cabinet with the news of the impending seizure of the Suez Canal Company, which he is about to trigger off in the course of a long speech in Alexandria. The ministers had much less opportunity to influence events than their counterparts in Eden's cabinet. "Many of them," writes Heikal, "were graduates from Western universities and this was not at all the sort of political game they had expected to take part in."



The Ducal Palace from the piazza where rain water accumulates and floods the centre of Venice (File photo)

Venice marks 20th anniversary of floods with new optimism

By Jill Serjeant

VENICE, Italy — On a stormy night 20 years ago, when the waters of the Adriatic burst through Venice's ancient sea walls, it seemed as if the city's long-forever fate was sealed.

On Nov. 4, 1966, Venice, which depends for its life on the sea, looked destined to die by it as the tide, whipped by strong winds, rushed into its canals 1.9 metres above normal level.

Venetians had always worried that their city, its buildings supported by millions of wooden stakes driven into hundreds of mudflat islands, would one day be permanently swamped.

Four years before the big flood world experts had predicted Venice's imminent collapse.

But as this city this week marks the anniversary of the floods that caused millions of dollars worth of damage to works of art, libraries and palaces, it has new hope for the future.

After two decades of debate and political feuding, complicated by the wheels of Italian bureaucracy, the first visible signs of work have begun on an ambitious project that will not only protect the city from the sea, but should also restore the ecological balance essential to the life of the Venetian lagoon.

The project, envisaged by Venezia Nuova (New Venice), a part-public, part-private consortium of 27 Italian companies, has been greeted with enthusiasm by Venetian campaigners who 20 years ago

feared their plight might be ignored both by Italy and the rest of the world.

Venetians woke on Nov. 4, 1966, after days of heavy rain all over Italy to find St. Mark's Square a lake, waves breaking against the walls of the medieval Doges Palace, and their homes wamped with all the mud, oil and pollution that had collected in the lagoon for years.

But the attention of the rest of the country was fixed on Florence where the banks of the Arno had burst, sweeping away priceless works of art and leaving its citizens to cope with canals in place of streets.

"I had never thought Venice would disappear, but the rising water, the dark grey sky and the wind gave me a sense of terrible, deep sorrow and powerlessness," Countess Teresa Foscarini-Foscolo told Reuters.

"Then I was very angry because all the world was talking of Florence and all they kept saying was that there had been exceptionally high waters in Venice."

For the countess, a descendant of one of the great Venetian families of the 13th century, the flood brought home all the unresolved problems and past mistakes made through inexperience, carelessness and greed.

New channels dug through the lagoon in the 1960s to allow oil tankers to reach the industrial port of Marghera were blamed for disturbing the tidal flows of the sea and the delicate ecological

balance of a city without sewers. It was mainly due to the campaigns of Foscarini-Foscolo and others like her in the ecological group Italia Nostra that a project to allow cars into the city was scrapped.

The countess was largely responsible for bringing the plight of Venice to the attention of the world when she persuaded U.S. Senator Edward Kennedy to visit the city.

In 1968, under the auspices of UNESCO, the authorities drew up a list of 16,000 works of art, including churches and palaces, of which 35 per cent were seriously damaged.

Aid started flooding in, much of it from foreigners, but it was not until 1973 that the Italian government passed the first special law declaring the safeguarding of Venice was in the national interest.

In 1984 came a second special law and the Nuova Venezia Consortium was given the go-ahead and the finance to start work.

The project, which has already involved several years of studies and whose cost is estimated at two thousand billion lire (about \$1.4 billion) over 10 years, is described by the consortium as the most ambitious and complex ever undertaken in Italy.

"This makes the Thames barrier look like child's play," Hermes Redi, head of studies for the consortium, told Reuters in reference to the barrier built to protect London from flooding. Work started last month on

dredging old blocked-up channels in the western part of the lagoon which will restore vital cleansing waters to the area.

Redi said work should start in 18 months time on building sea barriers that can be quickly raised when the tide rises above a certain level at the Lido, Malamocco and Chioggia entrances to the lagoon.

Steel cylinders will lie when not in use in rubber grooves in the sea bed, but pumped full of air they will rise to form a floating barrier.

Political will, extensive research and the finance to carry out the project have finally come together, while city planners speak with enthusiasm of the future role of Venice. Various projects are under discussion aimed at helping it regain its former stature as one of the most important cities in the world.

Why not an international university of art? Or the promotion of the city as a centre for world diplomacy? they say.

The countess however sees the real battle ahead as the preservation of the life of the city, which has seen its population, driven away by lack of employment and housing, plunge from 175,000 in 1951 to about 86,000 today.

She believes Venice is losing its soul, stifled by tourists and a steady stream of foreigners able to pay sky-high prices for apartments in the heart of the city.

"Spending money on restoring works of art and cleaning buildings is wonderful. But how do you restore the soul of the city?" she said.

Japanese aim to set a fashion in the West

Two of Japan's leading fashion houses are implementing finely-tailored strategies for capturing overseas markets. Gordon Cramb recently in Tokyo's fashion district of Harajuku, describes their ambitions.

HARAJUKU, Tokyo's fashion district, is mix-and-match rather than ensemble: the shops which line its streets cover the full range from boutique to bazaar. The wares reflect a Japanese clothing industry which is diverse but whose composite parts share a rapidly internationalising outlook.

The country's designers have long been represented among the West's most rarefied stratum of style arbiters. What has been happening in recent months, though, is an extension of this to bring Japanese lines to outlets abroad in larger volumes. North America and the more developed markets of Asia are key targets; Europe should not be too far behind.

The trend has something to do with the yen, but it is not a story about exports of home-produced goods. Although makers of everything from cars to compact disc players may be suffering from the ascent in the currency, the rag trade has been immune.

The reason is that, on the whole, it does not export: to the extent that it does, the squeeze is being more than offset by cheaper costs for the raw materials needed to be imported.

Instead, the shift is to production overseas. At least two of the most prominent companies in the sector are implementing their own, finely-tailored, strategies for markets overseas, while others show signs of following.

Hanae Mori, an exclusive designer house, and Renown, the country's leading volume producer of suits and leisure wear, are not usually mentioned in the same breath. Until recently, a headquarters in the Harajuku area was about all they had in

common. Yet the moves they have independently set in train take them along much the same route.

A presence outside Japan is the most prominent sign of a repositioning which lays stress on technology alongside creativity, but which relies on the domestic market for the bulk of sales.

At first sight, the house founded in 1951 by Hanae Mori — who is still at its head — might be expected by fashion watchers to be above such considerations of commerce. She has offered haute couture in Paris for the last 10 years, while in Japan her ready-to-wear, which makes up most of the business, is almost as indulgent in its quality of fabric and attention to detail.

But from its current sales base of ¥40 billion (\$253.1 million) a year, the Hanae Mori company has just announced plans which envisage a new volume business for the 1990s. It aims to corner as much as a quarter of the world's cashmere production through a venture which will produce yarn in China and finished garments in Puerto Rico.

In this trickiest of industries, the strategy is astute. Official backing for the project has come readily, both from Peking and San Juan. The goods are to be shipped from outside Japan so trade frictions and tariffs are averted.

And most important for an output of more than 450,000 sweaters a year destined mainly for the U.S. market, the American commonwealth status of Puerto Rico permits the clothes to carry a Made in U.S.A. label.

Production is due to start next June and attain full pace by 1991, when annual revenues could reach \$100 million.

Production is due to start next

June and attain full pace by 1991, when annual revenues could reach \$100 million.

The average wholesale price tag for garments will perhaps reach \$200 apiece, and Hanae Mori is by no means ready to sacrifice its exclusivity. Instead, it believes it has identified a gap towards the top of the ready-to-wear cashmere market where top-quality fabric is not matched by distinctive approach to style.

As one senior member of the house puts it: "Everything is seen through Mme Mori's eyes. That won't change."

If the venture is a success, what is intended to follow is a move into retailing Hanae Mori wares more widely in the US through the establishment of a chain of boutiques — at present a boutique in Manhattan is its sole own-name outlet. In Japan it has 60 shops, along with outlets in department stores.

Hanae Mori clothes are already made on a small scale in Europe as well as in the U.S., under contract arrangements which allow it to add or subtract as the need arises. Of the varieties of the currency markets, Ken Mori, one of the two sons in the business, says: "We are adaptable; we simply shift location. At the same time, we are not encouraging exports from Japan. If anything, we encourage imports."

Renown, with annual sales of some ¥220 billion and leadership of a mass market for off-the-peg suits and casual wear, could hardly be more different from Hanae Mori. What they have in common, though, is that they are feeling similar sorts of pressure from young designers such as Issey Miyake and Yohji Yamamoto.

These new-wave designers, unsurprisingly, have their mass market imitators, able to turn out relatively small changing runs which look right up-to-date while

still being affordable.

In a fickle sector, this caters to one of the few constants — a youthful desire to look the same, but not too much the same, and certainly not for too long. In that respect Renown, with its large-volume production runs commissioned mainly from outside suppliers, can be as slow-moving as the Royal Navy flagship which visited Tokyo in 1922 and after which it is named.

Still, its output remains in demand by the department store groups. The clothing business in Japan is to a large extent vertically integrated, with makers taking much of the responsibility for marketing, and retailers able to order on a sale-or-return basis. Hiromichi Inagawa, Renown's president, points out that in a fragmented and financially weak industry worldwide "they need big companies like ours."

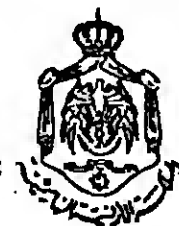
What is changing is Renown's approach to its market, a shift which is requiring new ways of doing things throughout the process, from concept to cash register. Amid this scrutiny of its market standing, the decision was made to go abroad.

In the past year it has set up manufacturing facilities in Singapore, Hong Kong and South Korea. Goods made there are, however, rarely for re-export to Japan — the more numerous lines and quick deliveries which the company is now demanding of itself exclude this for all but the most basic items.

Sales outside Japan, which now approach a tenth of total turnover, are largely in the countries where the clothes are made. Again, the link is the Japanese store groups, which are establishing a commanding presence in Asia's more sophisticated consumer markets, and which first suggested the deals.

— Financial Times feature.

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ADVERTISEMENT FOR PREQUALIFICATION OF CONSULTANTS FOR SUPERVISION OF CONSTRUCTION FOR THE NAUR - DEAD SEA ROAD PROJECT NO. 4/87

The Ministry of Public Works (MPW) in Jordan intends to construct the road connecting Naur to Suwaimah Junction.

The project is partially financed by USAID under grant agreement No. 278-0271.

The MPW is hereby inviting (American/Jordanian) consultants in joint venture or association to submit prequalification forms and documents according to the following conditions:

1. Only joint ventures or associations of American and Jordanian consultants are invited. The prequalification submission shall state the role of each party in carrying out the technical services required.
2. The scope of work includes supervision of construction of Naur - Dead Sea Road which consists of the construction of a main highway (26) Km long 4-lane divided highway and (15) Km long 2-lane highway. The road is divided into (3) sections, construction of each will be awarded under a separate contract. The central section requires special land stabilisation techniques. Contract for the supervision (Tender No. 4/87) of the whole road will be awarded in about January 1987.
3. Interested American/Jordanian (joint ventures or associations) may obtain the prequalification forms either from Gail Warshaw, AID/W, ANE/PD, Room No. 3320 A, Telephone No. 647-4907, Washington D.C. or from the Government Tenders Directorate, Ministry of Public Works, P.O. Box 1220, Amman - Jordan.
4. The prequalification forms with all relevant documentation shall be submitted to the Director, Government Tenders Directorate, P.O. Box 1220, Amman - Jordan, Telex 21944 MPW JO, Amman. Submission of forms shall be not later than 12:00 noon of Saturday, December 20, 1986.
5. The nature of Section III of the project, requires special experience in supervising construction of roads under similar geological conditions, therefore, special emphasis on this type of experience will be necessary for consideration.
6. Supporting documentation of all entries shall be submitted with the prequalification forms. Evaluation of prequalification shall be based on the submitted documents.

Chairman, Central Tenders Committee,
Director of Govt. Tenders Directorate.

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Ministry of Public Works/Jordan Government Tenders Directorate Invitation for Prequalification of Contractors Naur - Dead Sea Road Project No. 1/87, 2/99, 3/97

The Ministry of Public Works in Jordan intends to construct the road connecting Naur to Suwaimah Junction and the Yarmouk Rama Road. The project is partially financed by USAID under AID Grant Project No. (278-0271).

The MPW is hereby inviting American contractors, Jordanian contractors, and American/Jordanian joint ventures of contractors according to the following conditions:

1. Project Description
The project consists of the construction of a main highway (26) Km long 4-lane divided highway and (15) Km long 2-lane highway.
The project for the purposes of tendering is divided into (3) sections each will be awarded under a separate contract, the central section of which requires special landslide stabilisation techniques. Tenders are expected to be issued for each phase separately starting about Feb. 1, 1987, issuance of these is based on the completion of the IFB tender documents. Construction of all sections is scheduled for completion by December 1989, each contract provides for a construction period of two years.
2. Interested road contractors or joint ventures may obtain the prequalification forms either from Gail Warshaw, AID/W, ANE/PD, Room No. 3320 A, Telephone No. 647-4907, Washington D.C. or from the Government Tenders Directorate, Ministry of Public Works, P.O. Box 1220, Amman, Jordan.
3. Companies and joint ventures will be prequalified according to their technical, administrative and financial capabilities, equipment ownership, past experience in roads and bridges project, their present work load and performance.
4. The nature of construction of Section III of the project, requires experience in constructing roads under similar geological conditions, therefore, special emphasis on this type of experience will be necessary for consideration.
5. Supporting documentation of all entries shall be submitted with the prequalification forms. Evaluation of prequalification shall be based on the submitted documents.

Chairman, Central Tenders Committee,
Director of Govt. Tenders Directorate.

It is official — Swedes are shy and like to be alone

By Andrew Steele

STOCKHOLM — Swedes are shy, "scholastic" introverted individuals who prefer a walk in the forest to mixing socially with their colleagues, and will break out of their shells only when drunk or in bed.

The exclusive nature of the Swede may long have been suspected by a world used to the ice-cool court performances of former tennis star Bjorn Borg and the pleas for solitude from actress Greta Garbo, but it now has the support of a leading Swedish academic.

Professor Ake Daun, of Stockholm University's department of ethnology, has made an extensive study of the psyche of his fellow countrymen, and how other people view them.

He hopes to publish his studies as a book next year, but the picture he paints is hardly likely to make it a bestseller with his countrymen.

He has come to the considered conclusion that the rest of the world has been right all along — Swedes are cool, reserved, and, in the words of Garbo, "want to be alone."

"It is, of course, dangerous to generalise about a whole country,

but I have come to these conclusions by using a series of tests widely accepted and applied in many other parts of the world," Daun told Reuters.

"By using standard tests, we can find out what Swedes are like, and compare them with other nationalities," he said.

Daun has conducted hundreds of interviews with Swedish students, to find out what they think of themselves. He has also asked immigrants to Sweden what they think of the Nordic psyche.

Surprisingly, Daun claims that Swedes are, scientifically speaking, no more shy than the supposedly extrovert and gregarious Americans.

"That is because we Swedes do not see shyness as something negative, we see it more as a virtue, while Americans take the opposite view," Daun said.

But deep down, the Americans are basically as shy as we are.

Daun said that of the countries psychologically tested in recent years, South Koreans were among the most extrovert, while neighbouring Japan beat all comers in the shyness stakes.

"The Japanese absolutely hate to lose face in front of strangers, which means that they tend to be shyer than most — certainly shyer

than Swedes," the professor said. But there are shining exceptions to the Swedish rule of silence.

When they are indulging in two pastimes for which they have worldwide reputations — drinking and making love.

"Expressions of emotion are seemingly allowed both in the bedroom and after the consumption of alcohol. Swedes who are drunk feel they can stand outside the normal taboos," he said.

Daun's extensive interviews and studies with immigrants reveal another facet of the country which will not be popular with the native population.

"We asked immigrants who have lived here for some years to tell us the positive and negative factors of living in Sweden."

"The positive factors were the social services, the standard of living and the basic security of life. The main negative factor was, unfortunately, the Swedes themselves," Daun said.

Foreigners considered Swedes to be socially handicapped, because of their awkward manner with strangers and their refusal to talk about their personal lives, the professor said.

Their lack of improvisation and their preference for solitude are also strange in the eyes of

immigrants. "If a Swede goes for a solitary walk in the forest or goes off to fish alone, fellow Swedes will think nothing of it. But an immigrant wonders if no one else wanted to come along."

Are these not-too-complimentary findings of any real use? Professor Daun thinks so.

"The results are of critical importance to Swedish businessmen. Many a contract has been lost because we don't know how to deal effectively with foreigners," Daun said.

"For instance, we discuss business during the meal at the lunch table, rather waiting until the coffee. Foreigners think this is dreadful," he said.

Daun said that a Swedish awareness of the social customs of other lands, and the way Scandinavians differ from the rest of the world, will oil the wheels of Sweden's international trade.

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Navratilova easily downs Mandlikova for Slims win

WORCESTER, Massachusetts (AP) — Martina Navratilova won the Virginia Slims of New England Tennis Tournament with a 6-2, 6-2 finals victory over second-seed Hana Mandlikova.

The top-seeded Navratilova served and volleyed her way to a 12th tournament win on Monday night, dominating at the net throughout the match. After allowing her opponent a single service point, Navratilova jumped to a 4-1 lead in the first set after gaining and opening-game break.

Navratilova, 30, won five consecutive games in the second set as she required just 57 minutes. The Czech-born American won the tournament

when it was last held Jan. 14. The win was worth \$45,000 to Navratilova; second-place earned Mandlikova \$22,600.

Navratilova traded service games with her 24-year-old opponent and scored yet another break at love in the fifth game for her 4-1 lead.

Mandlikova, of Czechoslovakia, changed her strategy and relied on rocketing returns of service and lob just inside the baseline. She broke

back to 4-2, but Navratilova hammered volleys at net to score a break-back, and played out the first set at 6-2.

Mandlikova, after double-faulting at the start of the second set, attempted to play herself back into the match with a variety of shots that earned her the next four points.

But Navratilova's serve-and-volley game proved too much for Mandlikova to handle, and the challenger was allowed just a single service return point as Navratilova initiated her five-consecutive-game streak.

Navratilova combined her powerful serve-and-volley with aggressiveness at the net in limiting Mandlikova to just eight points in the five-game victory run, which brought the score to 5-1.

Mandlikova mustered her third and final service game of the match after dropping behind 15-30. She responded with an unreturnable serve and twice served deep enough to gain the net for winning volleys.

Navratilova had some difficulty in putting away her 45th consecutive singles match victory. After going up 30-15 with a pair of powerful serve and volleys, she fell victim to Mandlikova's passing shots and a break-point threat.

After relinquishing a match-point opportunity, Navratilova rocketed a forehand winner for her 41st match win against only 14 losses since 1982.

Afterward, both agreed that the key to the match was problems Mandlikova had with her serve.

Mandlikova downplayed the importance of giving up a service break in the first game of the match.

Navratilova beat her doubles partner, Pam Shriver of the United States, in the semi-finals, and Mandlikova downed Bettina Bunge of West Germany to reach the finals.

In the doubles final Monday, Navratilova and Shriver beat Claudia Kohde-Kilsch of West Germany and Helena Sukova of Czechoslovakia, 7-5, 6-3.



Navratilova... in typical form

White Crusader beats Conner

FREMANTLE, Australia (R) — Britain's White Crusader dealt a heavy defeat to the most feared skipper in the America's Cup, Dennis Conner on Tuesday.

Irish-born skipper Harold Cudmore won by two minutes and 18 seconds on a course considerably shortened because of light winds to which Conner's Stars and Stripes was totally unsuited.

Conner, desperate to regain the trophy he lost to Australia in 1983, has now lost four of 21 challenger elimination races but is still third overall.

He tasted defeat again just a day after he narrowly avoided the embarrassment of losing to the backmarker, Italian yacht Azzurra, in similarly light weather.

White Crusader proved itself to

be the better all-round boat in the wispier six-knot breeze against what Conner has admitted is a primarily heavy-weather boat.

Race organisers delayed the start of Tuesday's challenger races by more than 2½ hours as they waited for the so-called "Fremantle Doctor" — south-westerly to replace the light warm land breeze.

When the "Doctor," so named for the relief it gives during the hot summers here, finally came, it offered little more than a four to six knot remedy.

New Zealand, which left America II in its wake in similar conditions Monday, did the same to California's U.S.A. Tuesday to keep on top of the standings.

America II is still second after an easy win over Challenge France and with a race against Chicago's

Heart of America Wednesday is unlikely to lose that place even if it is beaten by Conner on Thursday.

After the two races left in this round the challengers do not meet again until the third round robin from Dec. 2. The best four then go to semifinals from which two will fight for the right to challenge an Australian yacht for the Cup from Jan. 31.

While the challenger course was shortened to three legs from the normal eight, two of the three defender races started on a normal course where the breeze was 10 knots.

Adelaide's South Australia scored its best victory yet in the defender selection races, thrashing the look-alike Ben Lexcen-designed Australia III by almost 2½ minutes.

The win is another blow to Alan Bond's syndicate which claimed the Cup from the New York Yacht Club in 1983, and whose Australia IV trails rival Perth millionaire Kevin Parry's Kookaburra III in the standings.

The Parry yachts raced in a procession Tuesday, with Kookaburra III predictably winning.

In the race of the day Cudmore, one of the world's most experienced match-racers, judged the breezes perfectly and on a better-rounded boat outlasted Conner, leading by 44 seconds at the first mark and just building on that.



AL DUFFATEIN'S DAY: Al Nasr was trounced by Al Duffatein 6-0 at Amman Stadium on Tuesday. The halftime score was 2-0. In the photo, Al Nasr goalie Tawfiq Hassan clears the ball as Al Nasr's Naif Saadeh (16) and Al Duffatein's Walid Qandil (2) battle for position. Al Nasr's player-coach, Fawaz Ibrahim (5) guards the Al Nasr goal. The win puts Al Duffatein in first place with 15 points, one point ahead of both Al Faisali and Al Hussein. Both Al Faisali and Al Hussein still have a game to play to be even with Al Duffatein in total games played (photo by Abu Siman).

Mac is back and still the bad boy of tennis

By Robert J. Wieland
Associated Press

ANTWERP, Belgium — John McEnroe is back on tour after a six-month sabbatical, showing he still has the flawless style that once made him the top tennis pro and the argumentative ways that have kept in trouble.

McEnroe beat Australian teen-ager Thomas Muster in the quarterfinals of the \$920,000 European Community Championships in Antwerp last week. But even in victory, McEnroe could not control his angry outbursts.

He argued with the referee, the linesmen and the crowd. He also shouted barely disguised obscenities.

A week earlier, McEnroe continued to yell at the Paris Open referee after he was beaten by Spain's Sergio Casal. That outburst got him a 42-day suspension that begins Nov. 17.

In the old days, the 27-year-old American could be as fiery off the court as he is during a match. But now when he meets with reporters he talks quietly about his game, his strategy, the other players and his wife, actress Tatum O'Neal.

"I'm happy to be playing again... happy to be back," he said after the match with Muster, where his outbursts got him a warning.

He beat Miloslav Mecir in Sunday's ECC final in a tough five-setter, a significant win for several reasons.

Mecir, 22, is a relative newcomer to the top ranks. He surged into the top 10 during the past year.

"He's the kind of guy I need to beat to get back to the top," said McEnroe.

Despite some questionable calls in the final, McEnroe kept his composure and his concentration. "It pays to keep under control. If I question calls, it takes something away from me. I went (into the final) trying not to get involved... it was a big test," he said.

The ECC win gave him \$210,000 and his fourth victory since returning. Since August, he has won at Los Angeles, San Francisco and Scottsdale, Arizona. He is now ranked 10th in the world in the Association of Tennis

Professionals' (ATP) ranking. This week he is seeded fifth in London's \$375,000 Benson and Hedges event, after Stefan Edberg, Henri Leconte, Yannick Noah and Mecir.

"I felt I wanted to play one more tournament this year," he said of the London meet. "I want to get a few more points (in the ATP rankings)."

It will be his eighth tournament since returning to tennis. It also will be his first showing in England since he lost to Kevin Curren in the quarterfinals at Wimbledon in 1985.

After that loss, he vowed not to return to England, except for Wimbledon. He said the media there were persecuting him.

He said he is going back because he is popular with English fans and because he has "played some of my finest tournaments there."

"The crowds there like me," says McEnroe. "I got more fan letters from England and Japan than anywhere else."

Noah, who lost 6-2, 6-3 to McEnroe in the ECC semifinals, says McEnroe has a way to go to be no. 1 again.

"He is not at the level he was at when he was number one," said Noah.

But Noah talks respectfully of McEnroe's zeal to regain the top ranking he held from 1981 to 1985.

He needs more time. Comebacks are difficult and John seems to want to go through hard times. He needs that for motivation," said Noah.

"I need to keep my goals down," said McEnroe when asked when he can be no. 1 again. "Because I took some time off, I was expecting too much. That was bad for my concentration and I have not been playing at 100 per cent. At times, I miss crucial points."

Concentration, he says, is the key to his comeback because he is now playing less tennis than before his six-month break.

Before a tournament, "it's better to gain a few days time. I need to be fresh or I'll be in trouble ultimately. I need to be there mentally. But I need to be healthy, too."

"And I need to think of my family and see that they are not too tired."

His wife and son Kevin, who was born during McEnroe's sabbatical, travel with him on his current European tour.

Would McEnroe ever quit tennis if his wife wants to make a movie? "I'll cross that bridge when I get to it," he said. "But I'd want to be as supportive of her as she is of me these days."

Britain's Marsh stripped of title

LONDON (AP) — Britain's Terry Marsh has been stripped of his European light-welterweight boxing title, officials said Monday.

Marsh, who is a part-time fireman, broke his nose at work and has been unable to train for an upcoming defence against countryman Tony Laing, which has had to be postponed.

At its meeting in Seville last weekend, the European Boxing Union decided to take the title from Marsh after turning down a proposed new date of Jan. 28.

The EBU's decision brought strong reaction from Marsh's manager, Frank Warren, who suggested that Britain should disaffiliate from the European body.

John Morris, general secretary of the British Boxing Board of Control was present at the EBU's meeting. He said: "They felt the delay was too long — the original date for the defence was Oct. 29."

Laing is now due to meet West Germany's Toni Habermayer for the vacant title and Morris said that having stripped Marsh of the title, the EBU had decided to make him the preferential challenger to fight the winner.

Marsh's manager, Frank Warren, said he felt angry at the EBU's decision.

"It's all very well being the preferential challenger. But when you fight for the title as a challenger you only get 40 per cent of the purse, whereas if you fight as the champion, you get 60 per cent," Warren said.

"If the EBU are going to act like this then perhaps it is time we got out," he added.

English club sued over stadium fire

LEEDS, England (AP) — Bradford City soccer club ignored fire risk warnings about its Valley Parade Stadium before a fire swept through a wooden stand killing 56 people, a lawyer told a court Tuesday.

The allegation came from Michael Ogden, representing a policeman who was injured with rescuing spectators from the blazing stand, and a woman who lost four members of her family in the tragedy, which happened May 11 last year in the north English city.

Sergeant David Britton and Susan Fletcher are claiming damages from the club as well as from the local municipal authority, West Yorkshire County Council, and the Health and Safety Executive, which monitors safety aspects in public areas.

The high court hearing, which is expected to last two weeks, is regarded as test case. Some 150 further cases arising out of the fire are expected to follow.

Berlin seeks German forward

WEST BERLIN (R) — Blau-Weiss Berlin, bottom club of the West German First Division, wants unsettled West German international forward Pierre Littbarski on loan from Racing Club Paris.

Berlin treasurer Karl-Heinz Voger said Tuesday the club had turned to Berlin-born Littbarski after Bayern Munich striker Roland Matthey had turned it down.

Littbarski, out of favour in Paris, has expressed annoyance at having to give way to Uruguans Enzo Francescoli and Ruben Paz because of the French League's limit of two foreign players per club.

"I am not going to put up with this state of affairs much longer," he said. "A decision will have to be made by December... a transfer or loan is still possible in the next few weeks."

"If I leave Paris, then it will only be to go back to Germany," Littbarski, who joined racing from Cologne only four months ago for 2.75 million marks (\$1.4 million), said he was not in contact with any West German teams wealthy enough to buy him out of his contract.

SPORTS IN BRIEF

British jockey in critical condition

MIDDLESBOROUGH, England (AP) — Steeplechase jockey Jayne Thompson remained unconscious and in critical condition Tuesday following a spill in a race last weekend. Doctors at Middlesborough General Hospital said Thompson, 22 on Monday, was being visited around the clock by her parents, Ron and Joan Thompson, and her boyfriend, Geoff Harker. Thompson was injured in a race at Catterick last Saturday when her mount, Hot Betty, crashed over a hurdle. Harker was among the other jockeys in the race.

Marathoners carry peace torch

TOKYO (AP) — Six runners carried a "flame of peace" to Hiroshima, the first city to suffer an atomic attack, as part of a round-the-globe relay to dramatize calls for lasting peace. Local officials said the torch bearers, who began their 11-day journey through Japan on Friday, ran around the Hiroshima peace park and placed a wreath of flowers on its cenotaph on Monday. The monument honours 143,000 victims of the U.S. bombing that led to Japan's surrender in World War II in 1945.

Dolphins continue losing streak

CLEVELAND, Ohio (AP) — Second-year quarterback Bernie Kosar passed for a career-high 401 yards Monday night and overcame three dropped touchdown passes by Cleveland receivers to direct the Browns to a 26-16 victory over the Miami Dolphins. Kosar completed 32 of 50 passes without an interception — and without a touchdown pass. His pinpoint passing, however, set up four short Matt Bahr field goals and touchdowns runs of 16 yards by Harry Holt and 13 yards by Curtis Dickey. The Browns, who improved to 7-3 after their sixth victory in the last seven games, lead the Cincinnati Bengals by a game in the AFC Central Division.

Extradition begins for Heysel fans

LONDON (AP) — Extradition proceedings began Monday against 26 soccer fans, who face manslaughter charges arising out of last year's riot at the Heysel Soccer Stadium, Brussels, in which 39 mostly Italian people died. None of the defendants were in court in hear the proceedings at Bow Street magistrates court, which were taken up by legal argument over whether they should be dealt with together or in groups. Magistrate David Hopkin adjourned the hearing until Dec. 22 when he will give a decision on how the case will be heard.

Italian soccer federation seeks change in drawing

FLORENCE, Italy (AP) — After the surprise elimination of four Italian clubs from the early rounds of the European soccer cups, the Italian federation on Monday suggested a new system "to keep the best eleven as long as possible in the competitions."

Toodiosio Zotta, head of the technical staff of the federation, said a new system of seeded teams, in drawings is being studied and will be suggested to UEFA, the European governing body.

"We believe it's in the interest of soccer to have important teams in the European cups. It's in the interest of quality of play and of takings," Zotta said.

Zotta added the Italian federation will not ask for modification of the shoot-out rule when the aggregate score is even following extra time.

"It is up to the (Italian) clubs to improve technical and psychological preparation of players for the decisive shootout."

All Italian teams eliminated from the European tournaments so far this season missed penalty kicks.

The latest was Juventus of Turin which succumbed to Real Madrid last Wednesday in a clash between two of the most prestigious European clubs in the second round of the European Cup of Champions.

Of the teams eliminated, Roma in the Cup Winners Cup and Juventus, in the Cup of Champions, could have been rated as seeded teams.

The system of seeded teams in drawings is already used in the World Cup and avoids the possibility that the best national eleven play each other in the early rounds.

Zotta explained that under the new rules being studied by the federation, three-team groups, including a seeded club each, would be formed for the early rounds of the Cup of Champions, Cup Winners Cup and UEFA Cup.

A single team, the one scoring more wins after home and away matches, would qualify for the following round.

Gigi Radice, manager of Italian major league Torino, called the federation plan "unfair for second-rated teams which can have better chances to upset the favourite eleven under the present system."

Nils Liedholm and Sven Goran Eriksson, the Swedish managers of Milan and Roma, said they both were in favour of the system of seeded squads.

The challengers to the Japanese are expected to include the much-travelled French fully Triptych, winner of the Champion Stakes at Newmarket, and the useful English-trained seven-year-old Jupiter Island.

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REPORT

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BAD MEDICINE

Performances: 3.15, 6.30, 8.30, 10.30

Cinema **OPERA** Tel: 675573

REPORT

Performances: 3.30, 6.15, 8.30, 10.30

Cinema **PLAZA** Tel: 677420

WHITE DOG

Performances: 3.30, 6.00, 8.30, 10.30

Cinema **RAGHADAN** Tel: 622198

REPORT

Performances: 12.15, 3.00, 5.40, 8.40

LONDON EXCHANGE RATES

LONDON (R) — Following are the buying and selling rates for leading world currencies and gold against the dollar at midday on the London foreign exchange and bullion markets Tuesday.

One sterling	1.4385/95	U.S. dollars
One U.S. dollar	1.3870/75	Canadian dollars
	2.0350/60	West German marks
	2.2995/3005	Dutch guilders
	1.6860/70	Swiss francs
	42.28/33	Belgian francs
	6.6550/6600	French francs
	1407/1408.5	Italian lire
	162.20/30	Japanese yen
	6.9650/700	Swedish crowns
	7.4900/50	Norwegian crowns
	7.6900/50	Danish crowns
One ounce of gold	407.00/407.50	U.S. dollars

LONDON STOCK MARKET

LONDON (R) — Equities in London closed easier on a lack of interest, after a quiet session as many major world markets were closed on Tuesday for the Armistice Day holiday, dealers said. At 1530 GMT, the FTSE 100 share index was down 1.1 at 1,655.1, while at 1500 GMT the FT 30 share index was 5.5 points lower at 1,307.8.

Unilever ended 20p higher at 2.015, after publishing higher than expected third quarter profits of £299 million. Elsewhere among leaders, ICI lost 4p to 1.063 and Pilkington 14p to 539 as hopes of a bid for the latter faded. Lucas ended 13p down at 457 on press comment after Monday's figures.

Elsewhere among leading shares British Aerospace added 13p to 496 and Cons Gold 22p to 684 on demand in a thin market, dealers said.

In the stores sector, Sainsbury firmed a net 5p to 423 after better than expected interim profits of £123.5 million. Printing firm de la Rue closed 17p lower on balance at 324 after disappointing interim results. Reuters lost 2p on the day to 458 after Monday's news of its agreed merger with Instinct corp.

YOUR DAILY Horoscope

FORECAST FOR WEDNESDAY, NO. 12, 1986

GENERAL TENDENCIES: You awaken with a big desire to put new ideas into motion. After this you will be able to use your knowledge and experience to decide a long-range plan.

ARIES (Mar. 21 to Apr. 19): You have to handle an obligation to a pal before you can pioneer into new interests. Act wisely.

TAURUS (Apr. 20 to May 20): A problematical affair that concerns an influential person can take time from planning a new campaign of action.

GEMINI (May 21 to June 21): New contacts could be helpful to you, but it is necessary to first handle your work in a more intelligent way.

MOON-CHILDREN (June 22 to Jul. 21): Study your worldly status while planning recreations for the days ahead. Confer with an expert.

LEO (Jul. 22 to Aug. 21): Carry through with advanced courses of activity and don't permit a family problem to interfere.

VIRGO (Aug. 22 to Sept. 22): Find a better system for keeping promises you have made. Your mate can be cooperative today.

LIBRA (Sept. 23 to Oct. 22): A vital new interest can help you to get ahead faster at this time. Handle it in a fair way.

SCORPIO (Oct. 23 to Nov. 21): Forget other things and keep rooted to important work you have to do. Keep promises you have made.

SAGITTARIUS (Nov. 22 to Dec. 21): Take some time away from regular tasks and enjoy recreation than can relieve tensions.

CAPRICORN (Dec. 22 to Jan. 20): Even if you're busy occupied in the business world, keep your mind on home affairs as well.

AQUARIUS (Jan. 21 to Feb. 19): You have to do things the way you like if you are to be productive. Be happy with kin tonight.

PISCES (Feb. 20 to Mar. 20): You want to get rid of some worry. Get busy with practical affairs and all works out well for you.

IF YOUR CHILD IS BORN TODAY... he or she can easily understand the modern world and should attend up-to-date schools which can help your progeny to make real progress in the world. Teach not to criticize others so much and to forget prejudices and be more open-minded.

THE Daily Crossword by Stanley B. Whitten

ACROSS

1. Seed
2. Dealer
3. Waiters of TV
4. Helium or Nitro
5. Left ear
6. Point in an orbit
7. Involuntary
8. Surveyor of TV
9. Terminals
10. Patches
11. Bacteria
12. Singers' play
13. Sliver
14. Viceroy
15. Poised
16. Canceled
17. Egypt de corps
18. Field athlete
19. Out of meat
20. Puffed up
21. Get fire to
22. First course
23. In respiratory
24. "Friend of Oz"
25. 6 on the phone
26. Uncle of note
27. Moved slowly
28. Expressed
29. Cliche
30. Leading
31. Newspaper Pyle
32. For that
33. Bacteria
34. Laborer
35. The — seat
36. Collection of controls
37. Despoils
38. Vilest creature
39. Down
40. Polymath
41. Island
42. Ivy League
43. Slaves
44. 3rd
45. 4th

Yesterday's Puzzle Solver:

ACROSS	DOWN
1. Seed	1. Polymath
2. Dealer	2. Island
3. Waiters of TV	3. Ivy League
4. Helium or Nitro	4. Slaves
5. Left ear	5. 3rd
6. Point in an orbit	6. 4th
7. Involuntary	7. Despoils
8. Surveyor of TV	8. Vilest creature
9. Terminals	9. Collection of controls
10. Patches	10. The — seat
11. Bacteria	11. Laborer
12. Singers' play	12. Bacteria
13. Sliver	13. For that
14. Viceroy	14. Newspaper Pyle
15. Poised	15. Leading
16. Canceled	16. Cliche
17. Egypt de corps	17. Expressed
18. Field athlete	18. Moved slowly
19. Out of meat	19. Uncle of note
20. Puffed up	20. 6 on the phone
21. Get fire to	21. "Friend of Oz"
22. First course	22. In respiratory
23. In respiratory	23. First course
24. "Friend of Oz"	24. Get fire to
25. 6 on the phone	25. Puffed up
26. Uncle of note	26. Out of meat
27. Moved slowly	27. Field athlete
28. Expressed	28. Egypt de corps
29. Cliche	29. Canceled
30. Leading	30. Poised
31. Newspaper Pyle	31. Viceroy
32. For that	32. Singers' play
33. Bacteria	33. Bacteria
34. Laborer	34. Terminals
35. The — seat	35. Surveyor of TV
36. Collection of controls	36. Involuntary
37. Despoils	37. Dealer
38. Vilest creature	38. Seed
39. Down	39. Helium or Nitro
40. Polymath	40. Waiters of TV
41. Island	41. Left ear
42. Ivy League	42. Point in an orbit
43. Slaves	43. Point in an orbit
44. 3rd	44. Point in an orbit
45. 4th	45. Point in an orbit

Top Egyptian banker resigns

CAIRO (R) — Egyptian Central Bank Governor Ali Negm resigned Monday, prompting a reshuffle of the country's top financial managers 24 hours after President Hosni Mubarak appointed a new prime minister.

The surprise announcement of Mr. Negm's departure came as Egyptian officials and a team from the International Monetary Fund (IMF) held talks on IMF standby credits.

No reasons were given for Mr. Negm's resignation, announced by Mr. Mubarak's office. It was not known how it was linked in the IMF talks, in which Mr. Negm was a key participant for Egypt.

The decree said Mr. Mohammad Salahuddin Hamid, finance minister in the cabinet which resigned Sunday night, had been appointed to replace Mr. Negm.

Mr. Ali Lutfi, who resigned Sunday after 14 months as prime minister, was nominated speaker of the Shura (advisory) Council, a prestigious but powerless post.

Mr. Mubarak thanked Mr. Lutfi for his efforts amid speculation that he would be the change because he felt Mr. Lutfi had not done enough to revive Egypt's

debt-laden economy. The change of central bank governor strengthened speculation that Mr. Mubarak's switch of prime ministers was linked in the negotiations with the IMF, aimed at arranging terms for IMF standby credits of up to \$1 billion to help Cairo over a heavy payment schedule on its \$3 billion foreign debt.

Mr. Negm told Reuters in an interview on Oct. 29 he hoped agreement with the IMF could be reached within two weeks.

Cairo set to amend oil production-sharing clause

Meanwhile, Egyptian General Petroleum Corporation (EGPC) sources said Egypt is likely to amend standard oil-production sharing agreements with foreign firms to provide more attractive terms as oil prices fluctuate.

EGPC may also announce a new clause governing natural gas exploration in encourage activity in this sector, they said.

The sources said details of the new production-sharing agreement were expected to be announced on Nov. 17 when a

conference on oil exploration opens in Cairo to coincide with the centenary of drilling Egypt's first oil well.

The new rules would apply to new exploration agreements but oil industry sources say it may also lead to amendments in existing contracts.

Oil firms now get a fixed percentage, generally 40 per cent, of oil produced in cover their costs and allow for some profit.

But as oil prices have fallen in recent months, oil companies, led by Britoil and Amoco, are seeking a larger percentage in cost-recovery oil, industry sources say.

The oil minister said in July he was considering a formula whereby the companies' share rises as the oil price falls, and falls when the price rises.

On the gas clause, included in contracts signed by oil companies governing oil and gas exploration, EGPC has been working on a model formula designed to encourage oil companies to prospect for gas.

Details of the new clause have not emerged, but the firms want to be compensated for gas exploration costs and delivery.

Algeria reports significant progress in farm output

ALGIERS (R) — Algeria Monday reported significant progress in farm production, an area which had been neglected for two decades when priority was given to oil-financed industrialization.

Initial crop estimates for the 1985-86 season showed a 9.3 per cent increase in volume over the previous farming year, Algeria's APS news agency said.

Progress was particularly good in the production of potatoes, green and dried vegetables, poultry and eggs, and green house crops.

But the cereals crop, at about 2.6 million tonnes, was 400,000 tonnes less than the 1985 harvest

and 800,000 less than planned because of poor climatic conditions in the east of the country.

Even so, the cereals harvest was the third largest since independence from France in 1962, it said.

Algeria imports about 60 per cent of its food and agriculture was accorded top priority at the congress of the ruling National Liberation Front Party in December 1983.

Green vegetables production increased to 2.5 million tonnes from 1.9 million tonnes in the previous farming year, APS said, while potatoes increased by 16 per cent to 800,000 tonnes.

Albania to keep rigid course with main thrust on farming

VIENNA (R) — The Albanian Communist Party has proposed an ambitious five-year plan up to 1990 which puts the main thrust on agriculture but foresees no changes in its rigid, Stalinist central planning.

A report on a speech by Prime Minister Adil Carcani to the party congress said agriculture would be "developed on all fronts and more rapidly than the other branches of the economy."

Addressing the first party congress since the death of Enver Hoxha, the charismatic Stalinist who died last year after ruling the tiny Balkan state with an iron hand since World War II, Mr. Carcani said there would be no departure from the rigid central planning system of running the economy.

"The system of management and the organisation of our economy according to the principles of democratic centralism has fully demonstrated its correctness, sound

Marxist-Leninist content and effectiveness by successfully withstanding the test of time," Mr. Carcani said.

But he said the new five-year plan called for "major solutions" "requiring" a method and style of work of leadership and organisation which must respond to the revolutionary enthusiasm of the masses.

Mr. Carcani indicated that Albania was unlikely to lift the constitutional ban on foreign credits imposed by Hoxha in 1976 which has been a main obstacle to modernisation of its economy through imports of high technology.

Through Hoxha's fierce nationalistic policy of independence Albania is the most isolated country in Europe, although in recent years it has begun a cautious policy of promoting links with some selected Western countries such as Greece, Italy and Switzerland.

Credit cards disinterest Europeans

LONDON (AP) — Europe will develop a "credit culture" like the United States within the next decade, a leading credit card executive predicted Monday.

"Europe is still between a cash society and a credit culture," said Mr. Russell E. Hogg, president of Mastercard International Inc.

It could be "five or 10 years" before Europe reaches the level of credit card use that currently exists in the United States, he said.

Surprisingly, Mr. Hogg said, the concept of credit across Europe is not popular and in many countries consumers say they think it is unwise to buy anything but a house without paying cash.

Nevertheless, he said, European consumers want credit cards for convenience, emergencies, travelling and extended payments — and research indicates if they have them, they use them.

Mr. Hogg said a survey of 6,230 adults in Britain, West Germany, France, Spain, The Netherlands and Sweden revealed three important trends.

"The first strand is that consumer attitudes are in many ways becoming increasingly international unlike what some bankers have been saying," he said. This was indicated by the increasing acceptance and use of automated bank teller machines, especially in France, Sweden and Britain.

The second trend, Mr. Hogg said, is that the concept of credit is not a popular one.

In Sweden, The Netherlands and France, he said, substantial numbers of consumers strongly agreed with the statement that to buy anything other than a house on credit is unwise.

Japan racks up another record trade surplus with United States

TOKYO (R) — Japan racked up another record trade surplus against the United States last month, ensuring friction with its biggest trading partner will continue.

The government said Tuesday its trade surplus with the United States in October was \$5 billion, climbing above a previous high of \$4.83 billion in September.

The figures may be a big disappointment in U.S. officials who had agreed about two weeks ago to end further calls for the yen's appreciation against the dollar to help improve the trade imbalance.

Japan also posted an overall surplus of \$7.81 billion with all its trading partners for October, not far below a record \$8.95 billion surplus in September.

But economists say a turning point may just around the corner. "October could be the last month before the turnaround," one economist said.

The trade figures in October were high mainly because of price increases for Japanese merchandise shipped abroad, said Mr. Takashi Kiuchi of the Long-Term Credit Bank of Japan.

Japanese manufacturers, who had prospered from the weak yen before its recent surge, had been reluctant to boost prices of their goods in fear of losing market share.

"But they could not hold back any longer and have started raising prices," Mr. Kiuchi said.

An informal survey of his bank's clients around August and September indicated that only half had increased prices. "Now they find themselves losing money and have little other choice," he said.

While the higher prices for goods helped boost the value of Japan's overall exports, the

volume of merchandise actually declined, said Mr. Haruo Muto of the Bank of Tokyo.

In volume terms, exports were actually down 1.2 per cent from September, he said.

But he cautioned that although price increases had a big impact on Japan's trade figures with the United States, the volume of exports was still relatively high.

Cars, computers, precision machinery and chemicals were all up in quantity, helping boost the value of exports to the United States to a record \$7.50 billion for October. That was up 24.2 per cent from the same month last year.

Imports from the United States, however, rose only six per cent to \$2.50 billion.

Japan's overall exports to all its trading partners were up 19.4 per cent to \$19.14 billion while imports fell three per cent to \$11.33 billion.

Exports to the European Community (EC) rose 43.7 per cent to \$2.79 billion as imports surged 121.6 per cent to a record \$1.81 billion. That left a trade surplus of \$985 million with the EC in October, about half the figure in September.

Meanwhile, economic analysts in U.S. said that the new U.S. Congress elected last week is likely to push hard for protectionist measures to save American jobs, putting it on collision course with a fiercely free-trade President Reagan.

The Democrats, who strengthened their majority over Reagan's Republicans in the

House of Representatives and took control of the Senate, say there will have to be trade legislation.

The analysts said moves will be made when lawmakers meet in January to force Mr. Reagan to retaliate against nations that block U.S. exports and to protect U.S. textile mills and workers from cheap foreign textiles. Efforts may be made to put a fee on oil imports to help a domestic industry hit by present low prices.

The Congress tried to pass bills to stem the rising U.S. trade deficit this year but these were blocked by Mr. Reagan.

The clash expected next year was forecast by West Virginia's Democratic Sen. Robert Byrd, who is expected to be the Senate leader, and by White House chief of staff, Mr. Donald Regan.

Mr. Byrd promised on television there would be trade legislation. Would it be "protectionist?" Mr. Byrd replied: "The people out there who are in danger of losing their jobs don't care what you call it."

But Mr. Regan, in a separate television interview, said Mr. Byrd would need to get enough votes to override a presidential veto and that President Reagan would continue supporting free trade.

The U.S. trade deficit last year was a record \$148.5 billion and is headed to \$170 billion this year, taking a heavy toll in jobs and closed factories. Farm exports have plunged.

Trade analysts said the election showed a strong regional disenchantment with Mr. Reagan's trade policies, reflected in Republican losses in agricultural states of the middle west and the textile states of the south.

Soviet Union may sell more gold

LONDON (R) — Low prices for its oil and gas exports to the West mean the Soviet Union is likely to have to step up sales of gold to meet hard currency needs, gold experts in London said Monday.

They were unsure if market talk that Soviet selling has already increased in recent weeks was well-founded, but they generally stuck to earlier forecasts that 1986 gold sales would end up higher than last year's.

And they held this view despite last week's surprise Soviet statement that the grain harvest will be 210 million tonnes, up on 1985's 192 million, which would suggest the Soviet Union needed less hard currency for grain imports.

Talk of Soviet gold selling has been heard in recent weeks in the New York, Zurich and London markets, dealers say.

Consolidated Goldfields, a major player in the market, believes total Communist Bloc gold sales, mainly accounted for by the Soviet Union, could be up by 50 per cent this year from last year's estimated total of 210 tonnes, company sources said.

The company has said Soviet selling was well above average in the first two months of this year,

then relapsed to normal levels. It cited falling oil and gas revenue and a possible rise in food needs after the Chernobyl nuclear accident.

Analyst Boh Menzies of brokerage house Paine Webber said that despite the optimistic grain outlook, Soviet authorities would still have a foreign exchange problem, unless the oil price rose to \$20 a barrel. It is under \$15 now.

"I suspect they will still need to sell more gold," he said.

But he was cautious about market talk that Soviet gold sales have already intensified markedly. "Perhaps the quantities are exaggerated, because it would be unlikely they style to sell when the market is on its knees," he said.

The market talk of Soviet selling came as the price was hovering just above \$400 an ounce. It has risen in recent days to around \$410.

Houses who act on Soviet account are normally very discreet about the identity of their principal, dealers say. One tell-tale sign is bulk selling which seems too large to come from a single speculator and cannot be explained by someone switching

from gold to a stronger dollar, dealers say.

The selling often comes out of the London market from Switzerland, they believe.

Analyst Mike Long of Warburg Securities said a bigger grain harvest would not make a decisive difference to a need to offset poorer oil and gas earnings.

"They did not sell that much gold in the first half of the year, so they are going in have to sell more," he said.

Mr. Rob Weinberg of James Capel said: "So few people know what the Soviet Union is doing, it's a prime area for speculators. You will hear all sorts of numbers, but we don't think they have sold substantially higher amounts than normal."

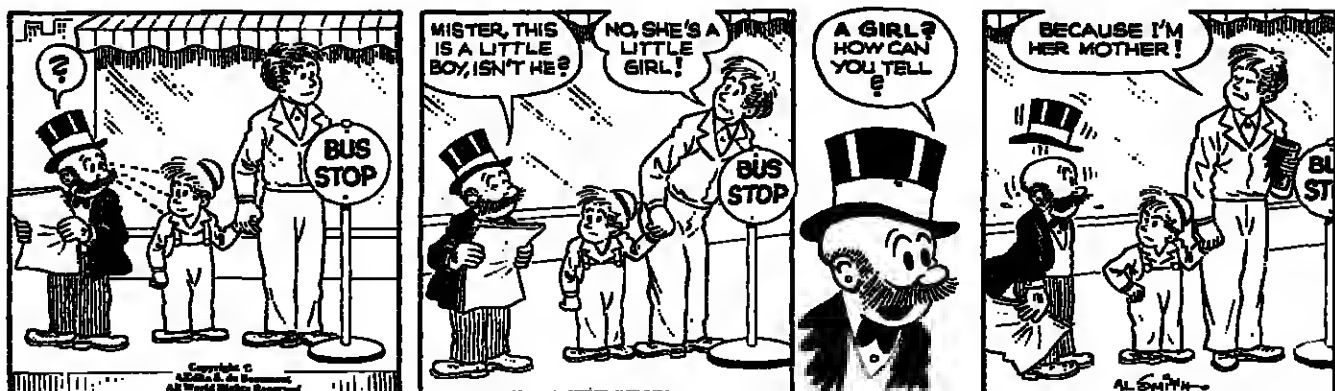
Sources at Shearson Lehman said that company's estimate of 400 tonnes for Communist Bloc sales in 1986, against 300 tonnes last year, still held.

Shearson raised its 1986 estimate to 400 tonnes from 300 after the Chernobyl accident. Sales of 400 tonnes would imply destocking, since the Soviet Union, by far the Communist Bloc's biggest producer, is estimated to mine 280 to 300 tonnes a year.

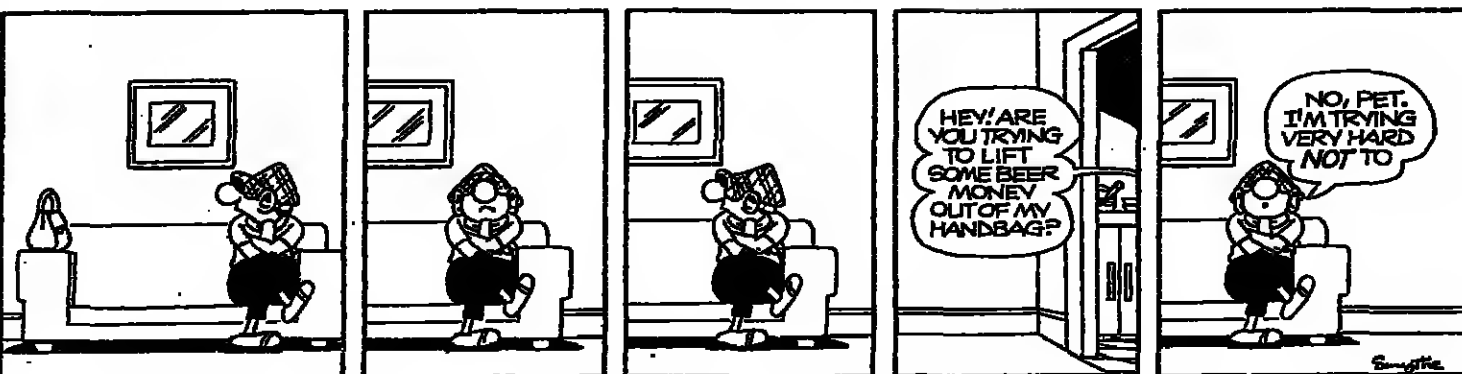
Peanuts



Mutt 'n' Jeff



Andy Capp

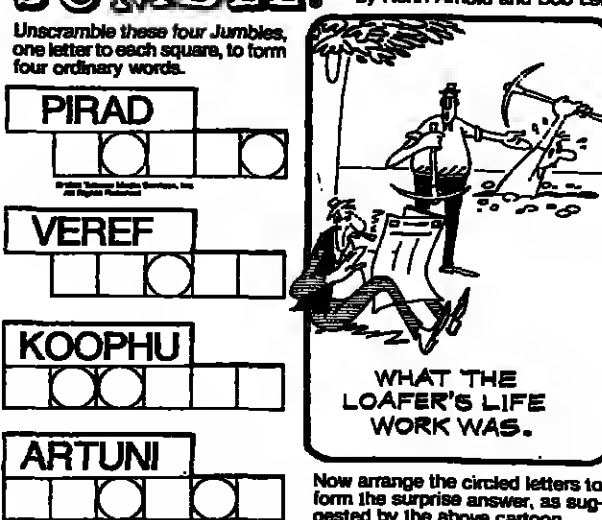


THE BETTER HALF By Harris



"Our penalty for early withdrawal is, we send you home to your wife with lipstick on your cheek."

JUMBLE THAT SCRAMBLED WORD GAME By Henri Arnold and Bob Lee



Print answer here: IT
Yesterday's Jumble: ODUM PANDA SKEWER DRAGON
Answer: How they felt when teacher gave a zero to everyone in the class — "DE-GRADED"

Filipino military challenges legitimacy of NDF negotiators

Civilian officials report progress in talks

MANILA, Philippines (AP) — The military on Tuesday challenged the legitimacy of Communist representatives in peace talks with the government. Civilian officials reported "substantial progress" in negotiations for a cease-fire by Christmas.

In a news release, the military said two recent rebel attacks in the countryside prove that the National Democratic Front (NDF), with which the government has been negotiating since August, does not represent the Communist Party of the Philippines (CPP) or the New People's Army (NPA).

The release claimed the attacks confirmed "statements" by Communist Party Chief Rodolfo Salas, who was arrested in September, that the party and its New People's Army have "nothing to do with peace negotiations."

It was the first time the military had attributed such a statement to Salas, who remains in jail on rebellion charges. NDF lawyers had claimed Salas was in Manila at the time of his arrest to help in peace talks and should have been covered by a government guarantee against arresting rebel negotiators.

The statement appeared to call into question the government's purpose in negotiating with the

NDF to end the 17-year-old insurgency.

The release quoted Armed Forces Chief of Staff Gen. Fidel Ramos as ordering military commanders to "track down, apprehend and neutralise (Communist) terrorists without letup" in Bulacan and Albay provinces, where five people were killed on Sunday and Monday.

The continuing violence "proves that the National Democratic Front, allegedly authorised to negotiate with the government on a cease-fire ... cannot really control the avowed policy of violence of the CPP-NPA (Communist Party of the Philippines-New People's Army)," the military spokesman, Col. Honesto Iseta, said in the news release.

The release was issued a few hours after government negotiators reported they had made substantial progress toward a cease-fire during a 3 1/2 hour meeting on Monday night with NDF negotiators Saur Ocampo and Antonio Zamel.

We're nearing completion, we're in the home stretch," Agriculture Minister Ramon Mitra told reporters. "I think that in our next meeting we will finish it."

Mr. Mitra said the two sides agreed on the length of a cease-fire during the 3 1/2-hour meeting Monday. But he refused to disclose the agreement, saying only that the truce would last "between 30 and 100 days."

When they meet again later this week, the two sides will try to agree on what "acts of hostilities" will be banned during the cease-fire and the power of joint monitoring committees.

Another government negotiator, Teofisto Guingona, said the rebels voiced concern during the 3 1/2-hour meeting Monday over rumours of a possible military coup.

Mr. Guingona said the government negotiators told the rebel representatives they only know what they read in the newspapers. He also said he did not think a coup speculation would "substantially" affect the talks.

The two sides began the cease-fire talks in August. President Corason Aquino has refused to discuss other Communist demands without a cease-fire.

The NDF, a

Communist-dominated group bargaining for the rebels, has offered a 100-day cease-fire beginning in December. The government has proposed a 30-day truce. Mr. Guingona said he thought both sides were flexible on the length of a truce.

Government sources, speaking on condition they not be named, have said the most serious obstacle is a definition of hostile acts that would be banned during a truce.

Questions remain over whether activities such as patrols, propagandising and "tax payments" collected by the rebels in the countryside would be considered hostile acts.

The NDF offered what it called five "talking points" on implementing an accord: Disbanding some army and civil guard units, disarming private militias, handing police from counter-insurgency operations, cessation of hostilities and a definition of hostile acts.

Meanwhile in Tokyo in a warning to any "non-democratic" challenges at home, Philippine President Corason Aquino said Tuesday she expects to be in office through 1992 to "oversee the same concerted burst of national energy" that made Japan an economic power after World War II.

U.S. to exceed SALT II ceiling by December

WASHINGTON (AP) — The United States will exceed the SALT II treaty limit on strategic bombers carrying air-launched cruise missiles in mid-December, a government source has said.

The decision marks the third shift in dates this year. It also means rejection of an appeal by Congress last month that U.S. continue voluntary compliance with the unratified treaty.

After the B-52 bomber is armed with nuclear-tipped cruise missiles at the Air Force Logistics Centre at San Antonio, Texas, the plane will be transferred to Carswell Air Force Base in North Carolina.

It then will become the 131st U.S. B-52 bomber equipped with the missiles. This will mean exceeding the treaty's ceiling of 1,320 on a combination of missile warheads and cruise-bearing bombers.

President Ronald Reagan decided last May to stop observing SALT II limits and to base U.S. strategic weapons decisions on "the nature and magnitude of the threat posed by Soviet strategic forces."

The SALT II treaty was signed in Vienna in 1979 by former President Jimmy Carter and Leonid I. Brezhnev, the late Soviet leader. It was the last major arms control agreement between the superpowers.

The treaty was never ratified by the U.S. Senate, but Mr. Carter and then Mr. Reagan — despite his vehement criticism of the accord in his 1980 presidential campaign — pledged to observe its constraints on strategic nuclear weapons provided the Soviets did the same.

Mr. Reagan accused the Soviets in two reports to Congress of serious violations of weapons-limitation accords with the United States.

While deciding to scuttle the treaty's restriction on B-52 bombers with cruise missiles, the U.S. president ordered the destruction of two Poseidon nuclear submarines with 16 warheads each to stay within a 1,200-warhead ceiling.

Last month, the House of Representatives and Senate wrote in the defence authorisation bill that "it is in the national security interest of the United States to continue voluntary compliance with the central nuclear sublimits (limits on specific weapons) of the SALT II treaty ... so long as the Soviet Union complies with such sublimits."

Initially, the air forces was scheduled to equip its 131st bomber with cruise missiles in November. However, in August, for what the administration called "technical reasons," the schedule was delayed to late December.

That raised the possibility of Mr. Reagan holding a summit meeting with Soviet leader Mikhail S. Gorbachev in Washington with the treaty still intact.

Last month, just before the two leaders were due to meet in Iceland, the date was changed a second time to Nov. 11.

The latest change — back to mid-December — was made in the past week. "Somebody is making some political decisions," to keep the treaty alive a little longer, said a government source, who demanded anonymity.

Earlier, the White House dismissed as "premature" a report in Sunday's Washington Post that the United States would exceed the limit on B-52 bombers with cruise missiles this week.

Irish Protestants launch group to oppose accord

BELFAST, Northern Ireland (AP) — Protestant hardliners have announced the formation of a new organisation, Ulster Resistance, dedicated to overthrowing the Anglo-Irish agreement.

The organisation was launched Monday night at a closed-door rally in Belfast which the British domestic news agency Press Association said was attended by up to 3,000 people who made pledges against the agreement signed last Nov. 15.

The rally organisers said in a statement that the new body would seek to "mobilise the men of Ulster into an organised and disciplined force which will neither bend nor budge" in its aim of overthrowing the accord.

The agreement gives the government of the overwhelmingly Roman Catholic Irish Republic a formal consultative role in the running of predominantly Protestant Northern Ireland.

In exchange, the republic has recognised long-term British rule in Northern Ireland by accepting there can be no change in its status without the agreement of the majority of its people.

Protestant leaders have denounced the accord as a British government sell-out designed as a first step to handing the province over to the Irish Republic, which lays

constitutional claim to it. The British government has denied this. The province was swept by Protestant rioting earlier this year and tension is again high as Saturday, the first anniversary of the signing, approaches.

Police said a gunman killed an off-duty policeman in south Belfast Monday night, shooting him in the back as the officer got into a parked car after visiting a friend. The gunman escaped.

No group claimed responsibility but suspicion fell on the Irish Republican Army (IRA). The mainly Catholic IRA has made a speciality of attacking off-duty police in its campaign to drive the British from Northern Ireland and unite the province with the Irish Republic.

The statement said Ulster Resistance would "embark upon a province-wide recruitment of men willing and prepared to take direct action as and when required." It said this would be "strictly disciplined, calculated and controlled."

It did not say what was meant by "direct action," but insisted: "We are not revolutionaries or anarchists or murderers. We seek no fight with the forces of the Crown (British security forces). Our cause is Ulster."

The rally marked the start of a week of organised Protestant protest against the agreement.

Soviet devices to monitor Nevada nuclear test site

LA JOLLA, California (AP) — Soviet scientists seeking to monitor U.S. underground nuclear tests have announced plans to install three sensitive measuring devices within 110 kilometres of the Nevada test site by March.

The private agreement for U.S. and Soviet scientists to monitor both nations' nuclear test sites is a sincere attempt to eliminate all nuclear weapons testing and is not a propaganda ploy, a Soviet scientist said Monday.

"I would like to tell the American people that without nuclear testing we can live more peacefully and more successfully than with nuclear testing," said Igor Leonovich Nerseov, a seismologist from the Soviet Academy of Sciences' Institute of Physics of the Earth.

Last May, the academy and the

Washington-based Natural Resources Defence Council, an environmental group, agreed to install seismometers to monitor earth tremors from underground nuclear bomb tests at the main testing sites in the Soviet Union and the United States.

The agreement is meant to show that it is possible to verify compliance with any future comprehensive test ban treaty and with the unratified treaties that limit underground bomb tests to 150 kilotonnes, said Thomas Cochran, senior staff scientist for the U.S. group.

The three most likely locations for the U.S. monitors are Deep Springs, California, Nelson, Nevada, and Railroad Valley, Nevada, Cochran said. All are about 110 kilometres from the Nevada test site.

Hasenfus tribunal starts deliberation in Managua

MANAGUA, Nicaragua (AP) — A three-member revolutionary tribunal began deliberating Tuesday on whether American mercenary Eugene Hasenfus is guilty of terrorism and other charges in a killing the contra rebels.

As the 12-day period for submitting evidence expired Monday afternoon, Nicaraguan Defence lawyer Enrique Sotelo Borge said he had petitioned the people's tribunal for another chance to meet with his client.

Hasenfus, 45, was taken during the weekend to the southern Nicaragua site where the military transport plane in which he was flying was shot down on Oct. 5.

He was the cargo handler aboard the C-123 plane on its mission to drop supplies to the U.S.-backed contra rebels. Three other crewmen, including two Americans, were killed but Hasenfus parachuted to safety and was captured the next day.

The people's tribunal, consisting of a truck driver, a labourer and a lawyer who acts as tribunal president, could announce its verdict at any point during the three-day deliberation period which ends Thursday.

tribunal spokeswoman Thelma Salinas said.

Justice Minister Rodrigo Reyes, the prosecutor, said sentence probably would be pronounced the same day if the verdict is guilty. Hasenfus could get 30 years in prison if convicted of terrorism, conspiracy and violating Nicaragua's security.

Prosecutors submitted a statement during the weekend asking that the tribunal ignore pleas made last week by Hasenfus and his wife, Sally. Mrs. Hasenfus had said in part that if her husband were kept in Nicaragua, their family would suffer "indescribable damage."

"The thousands of orphans and widows of those who have not come back from the war have suffered more than Mrs. Hasenfus," the prosecution statement said.

Meanwhile in Washington President Ronald Reagan has informed Congress that he has ordered continued economic sanctions against Nicaragua because its policies "pose an unusual and extraordinary threat to the national security ... of the United States."

Stalin's foreign minister dies at 96

MOSCOW (R) — Former Soviet Foreign Minister Vyacheslav Molotov, a veteran Bolshevik revolutionary who was one of Josef Stalin's closest aides for 30 years, died at the weekend, aged 96, an official announcement has said.

TASS news agency quoted a government statement as saying Monday the death on Saturday of Mr. Molotov, who was prime minister from 1930 to 1941, came after "a long and grave illness."

Molotov, from a middle-class family of intellectuals, was one of the last survivors of the revolutionary movement which brought the overthrow of Tsarism in Russia in 1917.

Throughout his career he won a name for ruthlessness, totally identifying himself with Stalin's struggle against other former revolutionary leaders during the 1920s and 1930s.

He was almost alone among top officials to survive in the same post, that of prime minister, through the purges of the period during which many of his former Bolshevik colleagues were executed.

According to some historians,

he signed the arrest warrant of his wife Polina as a counter-revolutionary. She survived a time in labour camps.

Although he remained in the top Kremlin leadership under Communist Party chief Nikita Khrushchev after Stalin's death in 1953, he was known to have opposed rehabilitation of the victims of the purges.

In 1957, he was ousted by Khrushchev from his post as deputy prime minister and accused of taking part in an "anti-party group" with two other figures of the Stalin period, Georgy Malenkov and Lazar Kaganovich.

He was expelled from the party after further denunciations in 1961 but was readmitted two years ago at the age of 94.

In an interview this year, Molotov said he was inspired by changes initiated in Soviet life by new Kremlin leader Mikhail Gorbachev.

He was best known in the outside world as Moscow's foreign minister of the post-World War II period when he won the name among Western leaders as "Mr.

Nyet (no)" for his refusal to compromise at international conferences.

His real name was Skryabin and he was a cousin of the Russian pianist and composer Alexander Skryabin.

But he took the revolutionary pseudonym Molotov, which means "son of the hammer," when he joined the Bolsheviks, under Vladimir Lenin, who later became founder of the Soviet state.

Lenin once called him "the best filing clerk in all Russia," and wartime British Prime Minister Winston Churchill, who met him several times, described him as "a man of outstanding ability and cold-blooded ruthlessness."

In recent years, he could be occasionally seen along Moscow's Central Garden Boulevard, leaning heavily on a stick or sitting on a bench watching other pensioners playing dominoes.

The official announcement of his death gave no indication of whether he would be given a full state funeral, but foreign analysts in Moscow said it seemed certain the Kremlin would mark his passing with formal honours.

South Korean dissident put under house arrest

SEOUL (R) — South Korean police Tuesday held top dissident Kim Dae-jung in his car for over two hours in Seoul's main square to prevent him from attending an anti-government rally, witnesses said.

After a tense confrontation outside City Hall, which attracted huge crowds of onlookers and brought widespread traffic chaos to central Seoul, Mr. Kim, 60, was escorted back to his home.

More than 20 aides who had ringed the car and stopped police from pushing it into a side street were detained, loaded into buses and driven to the suburbs where they were released into the streets, a spokesman for Mr. Kim told Reuters.

They included several members of the National Assembly, witnesses said.

The drama began when two unmarked police vehicles blocked passage of Mr. Kim's car after he left lunch at a nearby hotel.

The dissident leader, who is banned from politics under a suspended jail sentence for sedition, was on his way to greet

hundreds of supporters planning a 48-hour sit-in rally to protest against the government's current crackdown on political radicals.

Police meanwhile sealed off the city-centre building housing the Council for the Promotion of Democracy (CPD), a dissident umbrella group headed by Mr. Kim and opposition ally Mr. Kim Young-Sam, where the sit-in protest was to take place.

CPD officials said that, of the more than 200 protesters planning to take part, only about 40 had managed to enter the building.

The government of President Chun Doo Hwan last month decreed an all-out crackdown on political dissent, which it says is being led by pro-Communist radicals.

Nearly 1,300 students arrested last month after a three-day police siege of a Seoul university campus are facing trial, many of them charged under the national security law, which severely punishes activities in favour of Communist North Korea, Seoul's arch enemy.

U.S. navy ends China visit

PEKING (R) — U.S. warships left the port of Qingdao Tuesday after their first visit to China since the Communists took power in 1949.

U.S. officials said they were very pleased with the week-long visit by three ships, which coincided with the announcement in Washington of China's biggest U.S. defence equipment purchase.

Non-American diplomats said the port call and the \$550 million avionics deal to upgrade 50 ageing Chinese-built F-8 fighter planes showed U.S. eagerness to foster military ties with Peking.

But one cautioned against reading too much significance into the developments, saying China was not about to jump into a defence alliance with either the United States or the Soviet Union.

"The port visit is a reaffirmation of the defence relationship between Peking and Washington, but there are limits to this beyond

which neither side will go," he said.

He cited China's independent foreign policy and U.S. concern to limit its help to bolstering China's defensive rather than attack capabilities so as not to worry Taiwan or other pro-Western Asian countries.

Japanese sources here quoted Chinese leader Deng Xiaoping as telling Japan's Prime Minister Yasuhiro Nakasone last weekend that neither the United States nor China wanted their relationship to go too far.

Admiral Ace Lyons, commander-in-chief of the U.S. Pacific Fleet, told journalists in Qingdao that Sino-U.S. defence links were not intended as a tacit alliance against the Soviet navy.

China's relations with the Soviet Union and more especially with Moscow's East European allies have been improving,

Sri Lankan troops come under heavy rebel fire

COLOMBO (R) — Troops clearing the perimeters of army camps in Sri Lanka's Jaffna area came under heavy fire from Tamil guerrillas Tuesday, a senior military official said.

He told Reuters that at least three soldiers were wounded in the fighting. Rebel casualties were not known.

"We smashed a few rebel bunkers and cleared perimeters outside the camps at Jaffna, Valvetiturai and Point Pedro of mines and other explosive devices planted by rebels," the official said, adding that the operation was continuing.

He said such operations were regularly undertaken to clear government camp perimeters in the guerrillas' northern stronghold of rebel bunkers and booby traps.

Other military sources said the guerrillas, who are fighting for an independent Tamil state in the island's north and east, used mortars and small-arms fire in the attack.

The government said Monday that five soldiers were killed by a rebel landmine while a guerrilla was shot dead by troops in eastern province.

Opposition to intensify campaign against Ershad

DHAKA (R) — Bangladesh's opposition groups pledged to intensify their campaign to oust President Hossain Mohammad Ershad Tuesday as the country began an experiment in democracy after more than four years of military rule.

A seven-party alliance headed by Ershad's arch-rival Begum Khaleda Zia said in a statement: "We shall henceforth pursue more vigorously our campaign to force Ershad's government to step down and allow the people to determine their own future."

"Marital law or civil rule makes no difference while Ershad remains in power. People want to get rid of this hated dictator," one alliance leader told Reuters.

Military rule formally ended Monday night when Gen. Ershad renounced his title of chief martial law administrator and restored the national constitution he suspended after seizing power in a bloodless coup in March, 1982.

A proclamation reverting Bangladesh to democracy was issued shortly after parliament passed a law protecting Gen. Ershad against prosecution for his role during military rule.

Later, Gen. Ershad said on radio that by lifting martial law he had redeemed his pledge to restore democracy and ensure peace and progress.

But Sheikh Hasina, the leader of another eight-party opposition alliance, dubbed the indemnity bill "a black chapter in the nation's history."

"This is simply a betrayal of the people and an attempt to hoodwink them," she told reporters. "This means we are facing a harder struggle to establish a flawless democracy."

The indemnity bill was approved by a 223-0 vote in the 330-member parliament after a boycott by more than 100

opposition MPs owing allegiance to Hasina's alliance and the Muslim fundamentalist Jamat-e-Islami Party.

Gen. Ershad's Jatiya Party, which enjoys a commanding majority in parliament, billed the return to democracy as a new promise to build a happier and self-reliant Bangladesh. It will accord a hero's welcome to Gen. Ershad at a gala ceremony Wednesday.

Gen. Ershad resigned as army chief two months ago to stand in the Oct. 15 presidential poll, which he won by an overwhelming majority, but the army remains his main backer.

Diplomats say Gen. Ershad's prime task now is to accommodate the armed forces in his new role as civilian leader.

Gen. Ershad, who has said the armed forces should get their "due share" in the administration, avoided the issue in his speech Monday night.

But in an apparent move to protect 50 military officers appointed earlier to civilian posts, the indemnity bill said "all appointments made during (military rule) ... shall be deemed to have been validly made and shall not be called in question before any court or tribunal."

At least one opposition leader, Jatiya Samajtantrik Dal (JSD) Secretary-General Abdur Rab, told parliament Monday the army should have representation in parliament "to avoid coups and political instability" in future.

He suggested some parliamentary seats should be reserved for the armed forces as well as for other professional groups.

Bangladesh's 16-year history is dotted with a series of coups and attempted revolts, with two spells of military rule spanning eight years.

COLUMN

Over 35,000 cheer Emperor Hirohito

TOKYO (AP) — More than 35,000 lantern-waving well-wishers gathered in front of the imperial palace to celebrate the 60th anniversary of Emperor Hirohito's reign. A metropolitan police official, who spoke on condition of anonymity, said the well-wishers walked in two groups along the Ginza, Tokyo's main street, on their way to the plaza in front of the palace. Later, the 85-year-old emperor came out by limousine to the "double bridge" leading from the plaza into the palace. He waved to the crowd as the well-wishers shouted "Banzai" (long life). The government held a formal ceremony on April 29 to celebrate Hirohito's 85th birthday and his 60th year on the throne.

King of stinking fruit honoured

KUALA LUMPUR (R) — A four-month exhibition has opened here to pay tribute to the durian, king of stinking fruit. The huge green spiky fruit, whose pulpy innards repel the uninitiated as much as they delight the gourmet, is itself banished from the national museum, which is showing photographs, cartoons and replicas. But fresh durian are on sale outside. Visitors are asked to guess the number of prickles on and seeds in a sample durian, whose taste and smell is likened by some to a cross between caramel and fried onions and by lesser enthusiasts to ice cream eaten in a public toilet. Eight types of durian-splitters, durian-shaped jewellery and powder-boxes and other related items are also on show.

'Tiny battery powers birth control device'

DOBBS FERRY, New York (AP) — A gynecologist said Monday he has patented a birth control device in the form of a tiny battery that electrocutes sperm inside a woman before it can enter her cervix. The device, patented on Oct. 14, has been tested in baboons at University of Alabama laboratories, but has not been tested on humans, said Dr. Steven Kaali, director of the Women's Medical Pavilion in Dobbs Ferry. Kaali said earlier laboratory tests had shown that sperm die when shot through with electricity for two or three minutes. Working on that principle, Kaali said, he developed a procedure using a quarter-inch (.6 centimetres) battery inserted in the cervix with an intrauterine device or attached to a diaphragm. A 3.3-volt electrical charge sent through the cervical mucus creates an electrical field that destroys the sperm, he said.

Restoration starts on Byzantine walls

ISTANBUL, Turkey (AP) — Istanbul's mayor has said that restoration has begun on the remains of what was once 20-kilometre wall that helped defend the Byzantine Empire. Mayor Bedrettin Dalan told the Associated Press that restoration of a section of the wall at Belgradkapi, one of five entrances to the city, started on Sunday and will be completed in eight months. Historians believe the wall, actually two walls — a 5-metre thick inner wall and 2-metre thick outer wall — were built by Emperor Theodosius II in 413 A.D.

Conference planned on tracking AIDS virus

LOS ANGELES (AP) — The World Health Organisation (WHO) plans an international conference early next year to determine the threat posed by newly discovered AIDS viruses. "It is clear that these viruses are causing a lot of disease but we are not sure how much," Dr. Jonathan Mann, director of the organisation's AIDS programme, told the Los Angeles Times by telephone from Geneva. Mann said he will announce the conference, Tuesday, at a WHO regional meeting in Congo. The date of the conference, expected to be held in Africa, has not been set. Mann confirmed last week's warnings by Dr. Luc Montagnier of the Pasteur Institute in Paris that a virus Montagnier discovered in West Africa last year, called LAV-11, seems to be as deadly as the original AIDS virus. The meeting will focus on LAV-11 and another virus called HTLV-III.

GOREN BRIDGE

BY CHARLES GOREN
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WEEKLY BRIDGE QUIZ

Q.1—Both vulnerable, as South you hold: ♠ 9 3 ♠ A 8 ♠ K 6 ♠ A J 10 7 5 4 The bidding has proceeded: South West North East 1 ♠ 1 ♥ 2 ♦ 1 ♠				Q.4—Both vulnerable, as South you hold: ♠ 8 7 5 2 ♠ A J 3 ♠ 7 3 2 ♠ K J 7 The bidding has proceeded: East South West North Pass Pass Pass 1 ♥ Pass 1 NT Pass Pass 2 ♥ ? ? ?			
What action do you take?				What action do you take?			
Q.2—As South, vulnerable, you hold: ♠ K 10 9 8 ♠ J 4 ♠ J 8 7 2 ♠ A 6 The bidding has proceeded: South West North East Pass Pass 1 ♥ Pass 1 ♠ Pass 3 ♠ Pass 3 ♥ Pass 4 ♥ Pass ? ? ? ?				Q.5—As South, vulnerable, you hold: ♠ A Q 10 9 ♠ 8 7 6 4 2 ♠ A ♠ Q 6 The bidding has proceeded: South West North East 1 ♠ Pass 2 ♠ Pass 2 ♥ Pass 3 ♠ Pass ? ? ? ?			
What action do you take?				What do you bid now?			
Q.3—East-West vulnerable, as South you hold: ♠ A Q 5 ♠ 9 5 2 ♠ A Q 8 7 ♠ 9 8 2 The bidding has proceeded: South West North East Pass Pass 1 ♠ Pass Pass Pass 1 ♠ Pass ? ? ? ?				Q.6—Neither vulnerable, as South you hold: ♠ J 7 3 ♠ 9 8 2 ♠ 8 7 6 3 ♠ 10 6 4 The bidding has proceeded: North East South West 2 NT Pass 2 NT Pass 3 ♠ Pass ? ?			
What do you bid now?				What action do you take?			